Part A: 2009 -- SUPPORTING STATEMENT

Farmers Market Questionnaire
OMB NO. 0581-0169

Terms of Clearance:

OMB approves this collection for three years. Following an analysis of the survey results, please provide a copy of the report to OMB. The survey analysis must discuss the methodology used to detect non-response bias and the potential effects of that bias, as agreed to by the survey contractor. Finally, all public dissemination, including internet publication, concerning the sale of organic foods at farmers' markets should note that the survey did not ask whether the organic foods sold are USDA "certified organic" products.

The final report for this survey has been completed and is currently in editorial clearance. Once approved a copy of the report will be provided to OMB and the report will be available on the MSB website www.ams.usda.gov/wholesalefarmersmarkets. The final report is projected to be released September 2009.

Report Summary

Our latest analysis of the U.S. farmers market industry indicates that the sector continues to experience brisk growth, but that many newer farmers markets have not yet been able to generate the economic activity enjoyed by older farmers markets, raising questions about whether current levels of industry growth can be sustained over time. Between the year 2000, when AMS conducted the previous comprehensive national survey of farmers markets, and the end of 2005, the number of farmers markets in the United States increased 43 percent, from 2,863 to 4,093, an average growth rate of 8.6 percent a year. As a result of the massive expansion in the number of farmers markets since 2000, nearly 30 percent of all seasonal markets are less than 5 years old and most still appear to be in the process of establishing themselves economically. Managers of these young markets reported monthly sales of only half of the national average of all markets. They also reported fewer vendors (22, compared to a national average of 31) and fewer customers per week (430 compared to a national average of 959).

The large percentage of young markets explains in part why the growth in the number of farmers markets has not been mirrored by a corresponding growth in sales. Total farmers market sales in 2005 are estimated to have slightly exceeded $1 billion, compared to $888 million in 2000, an average annual growth rate of 2.5 percent. To ensure that the scope of the study included only markets that were engaged primarily in direct-to-consumer retail sales, it was restricted to farmers markets that relied on direct sales to consumers for 51 percent or more of their revenue, a restriction that may have resulted in a conservative overall sales estimate.

Despite some slippage in the volume of sales per market site between 2000 and 2005, the number of farmers participating in farmers markets still appears to have increased significantly. The average number of vendors per market, weighted for regional differences, increased from 27 in 2000 to 31 in 2005. Market managers reported in 2005 that 25.1 percent of vendors used their farmers market as the only outlet for their farm products.

It is interesting to note that the percentage of minority vendors at farmers markets was higher than the percentage of minority farmers in the general farming population. More than 11 percent of vendors at farmers markets were reported to belong to minority groups, compared to 4.8 percent in the general farming population, as reported in the 2002 Census of Agriculture.[1] The disparity is particularly striking considering that the Far West region, which features more ethnic diversity in the farming population than the rest of the country, was somewhat underrepresented in our 2005 survey. Farmers markets appear to represent a particularly important marketing channel for minority growers, perhaps because of the low cost of market entry or the volume of product needed to participate, or because the specialized merchandise they grow lends itself well to direct sales outlets.

The average number of customers at farmers markets per week declined slightly from 1,055 customers per week reported in 2000 to 959 customers per week reported by managers in 2005. However, this decline was offset by the 43 percent growth in the number of farmers markets between 2000 and 2005.

Seasonal farmers markets remain the predominant market type in the United States. Approximately 88 percent of respondents reported that they operated seasonal markets; open, on average, 4.5 months per year. As one might expect, seasonal markets that were open for 6 months or fewer per year attracted fewer vendors and generated less revenue than farmers markets open 7 months or more. Markets open 6 months or less reported an average of 25 vendors and sales of $20,770 per month and served 565 customers weekly. Markets open 7 months or more reported an average of 51 vendors, $57,290 in monthly market sales and served 942 customers weekly. Year-round markets reported more than three times the sales of markets operating 6 months or less had more than twice the number of vendors, and slightly more than six times the number of weekly customers. On the other hand, seasonal farmers markets that operated for 7 or more months performed similarly to markets that were open 12 months per year. Year-round markets reported an average of 58 vendors, had monthly market sales of $69,497 and served 3,578 customers weekly.

Market location appears to be an important characteristic for success. Markets that reported high monthly sales tended to be located in densely populated urban areas. This observation is based on the rural-urban continuum code for the locations of markets that responded to the survey. The most successful farmers markets in terms of sales were located on the coasts. The Far West and Mid-Atlantic regions reported average monthly sales of at least twice that of other regions—$56,742 and $41,452 respectively. The sales of the remaining regions clustered around $23,000 a month. The number of customers per

[1] *2002 Census of Agriculture,* Volume 1, Chapter 2: State Level Data

week, as reported by region, somewhat mirrored the monthly sales per market regionally. The Far West and Mid-Atlantic regions were again the top two regions, reporting 1,964 and 974 customers per week respectively. The North Central Region was a close third, reporting 856 customers weekly. The remaining regions reported around 700 customers per week.

Markets that sold organic products reported larger numbers of weekly customers, larger number of vendors and larger monthly market sales at their markets. Both seasonal and year-round markets that sold organic products performed better than markets that did not. Seasonal markets that sold organic products reported average monthly market sales of $34,715 and weekly customer counts of 854. Seasonal markets that didn't sell organic products reported $11,812 in monthly market sales and served 394 customers per week. Similar results were reported by year-round markets—those that sold organic products reported monthly market sales of $92,349 and served 4,344 customers weekly, while those that did not reported monthly sales of $41,584 and served 2,590 customers per week. Seventy-one percent of markets that sold organic products were located in urban areas, compared to only 55 percent of markets that didn't offer organically produced items for sale.[2] All of these trends held true on a regional basis except for markets in the Northeast region, where managers reported that markets without organic products were more often located in urban areas than markets that sold organic products. Despite this one inconsistency, Northeastern markets that sold organic products had larger customer counts, larger number of vendors, and higher monthly market sales volumes.

Government programs had varying degrees of impact on vendor sales at farmers markets. The Women, Infants, and Children Farmers Market Nutrition Program (WIC FMNP) had the largest financial impact on market revenues, with average monthly sales of $1,744 per market site and a total market participation rate of 61 percent among survey respondents. Average market sales generated by Senior Farmers Market Nutrition program (SFMNP) benefits were $1,004 per month, and 45 percent of responding market managers reported they accepted SFMNP vouchers. Food Stamp sales, utilizing electronic benefits transfer (EBT) technology, had far less of a financial impact on market revenues than other government nutrition programs; only 7 percent of market managers reported that they accepted EBT cards, while average sales per participating market site were $279 per month.

Response Bias

A response bias survey was developed and disseminated to farmers market managers who did not respond to the survey. The results of the non-response survey were intended to identify any bias that might exist in our sample pool. The non-response survey was mailed to 1,000 non-respondents with the expectation that at least 100 questionnaires would be returned; 239 were actually received. The respondents to the non-response survey were asked:

- Are you still the manager/contact of this farmers market

[2] Urban areas are defined as counties with a rural-urban continuum code between 1 and 3. Counties outside of metro areas have rural-urban continuum codes between 4 and 9. The definition of rural urban continuum codes can be found at < http://www.ers.usda.gov/briefing/rurality/ruralurbcon/>

- Was this market open in 2005?
- How many years has your market been open?
- Is your market manager a paid employee?
- How many vendors did your market have in 2005?
- How many customers attended your market weekly?
- What were the annual sales of your market in 2005?
- Which one of the following statements about your market was most true in 2005?
    - We had more demand than supply – we need more vendors
    - During 2005 our supply exceeded demand – we needed more customers
    - Supply and demand of products were roughly equal in 2005

The non-response survey markets had lower mean value of sales, number of vendors and number of customers served, which suggests that the results of this study may overestimate the magnitude of the farmers market sector. Both the non-response survey and the original survey displayed large variation within these variables and for this reason median values are used in this report to describe the sector.

One group that appeared to be underrepresented in the survey was individuals that managed two or more farmers markets. The response rate for managers of multiple markets was only 10.3 percent. Our efforts to account for the increased paperwork burden faced by managers of multiple markets by redirecting the survey to a secondary point of contact proved largely unsuccessful. Out of the 965 managers of multiple markets in the population listed on our contact sheet, only 99 responded to the survey—10.3 percent, compared to an average response rate of 34.5 percent. Many of them—7.7 percent of all managers—were located in California. California reported that 57 percent of its markets had managers who managed two or more markets. The relative unwillingness of this group of managers to participate in the survey resulted in an overall underrepresentation of the Far West region in the survey population.

A. <u>Justification</u>.

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

The primary legislative basis for conducting farmers market research is the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627). This act broadened the scope of USDA activities to include the entire spectrum of agricultural marketing, including direct marketing. Section 203a of the Act states that the Secretary of Agriculture is directed and authorized “To determine the needs and develop or assist in the development of plans for efficient facilities and methods of operating such facilities for the proper assembly, processing, storage, transportation, distribution, and handling of agricultural products...” In addition, the Farmer-to-Consumer Direct Marketing Act of 1976 supports USDA’s work to enhance the effectiveness of direct marketing, such as the development of modern farmers markets.

The Transportation and Marketing Program (TMP), Agricultural Marketing Service (AMS) conducts research to develop techniques and operating methods for farmers markets under the Agency's Marketing Services Division (MSD). Recommendations are made available to local decision makers interested in establishing or improving farmers markets to serve area producers and consumers. AMS maintains the most robust national database of farmers markets known to be in operation which contains information on nearly 4,700 markets. The interest in farmers market data has increased with the growth in the size of direct marketing nationally and the expansion in the number of farmers markets. The 2002 Census of Agriculture reported that in 1997 consumers purchased $591.8 million directly from farmers for human consumption. By 2002, the level of direct to consumer consumption had grown to $812.2 million, representing a +37.2 percent increase. Over a similar time period, the number of farmers markets has increased from 2,746 in 1998 to 3,137 in 2002, representing a +14.2 percent growth rate. Farmers markets continue to show strong growth with 4,685 markets in operation in 2008 representing a +49.3 percent growth since 2002. This indicates the continued viability of this industry and their continued need for market trend data.

The role of Marketing Services Branch (MSB) of United States Department of Agriculture (USDA) is to facilitate distribution of U.S. agricultural products. We identify marketing opportunities, provide analysis to help take advantage of those opportunities and develop and evaluate solutions including improving farmers markets and other direct-to-consumer marketing activities. Various types of farmers markets serve different parts of the food marketing chain but all focus on the small-to medium-sized agricultural producers that have difficulty obtaining access to large scale commercial distribution channels. Markets are maintained by State Departments of Agriculture, local public authorities, grower organizations and non-profit organizations. Some markets were developed as a part of an ongoing effort to provide alternative marketing channels for small and medium-sized producers moving from cash crops, and allotment based marketing, and bulk commodities.

Direct marketing through the nation's farmers markets provides an opportunity to increase the utilization of successful USDA programs, such as the Women, Infants, and Children (WIC) program, WIC Farmers Market Nutrition Program and Senior Farmers Market Nutrition Program. They also provide a "teachable moment" for diet, health, and nutrition services and programs. Efforts to enhance direct marketing opportunities supplement a continuing cross-Departmental program that promotes food access, inner city economic development, enhances the quality of life in disadvantaged portions of major metropolitan areas, and works to combat obesity by providing a convenient and affordable source of fresh fruits and vegetables to underserved communities.

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.

Data and reports developed from the 2005 survey of farmers markets have been utilized by State Departments of Agriculture, farmer groups, various USDA agencies and non-profit organizations to improve market intelligence, market operations and evaluate the impact of federal nutrition programs on farmers market sales. Data extracted from survey results has been presented and shared by AMS personnel at the request of a variety of agricultural stakeholders including the Farmers Market Consortium, Board members of the Farmers Market Coalition, Food Distribution Research Society, Arkansas Land Development Corporation, the Federal Reserve Bank of Minneapolis, various mainstream news media and State Departments of Agriculture. The Farmers Market Consortium is a public/private sector partnership, comprised of several USDA and other Federal agencies involved in farmers market assistance, along with representatives from other private foundations and non-profit organizations that is dedicated to supporting the famers market community by sharing information about funding opportunities and available technical resources.

Data collected from a national survey of the farmers market industry provide researchers and planners with a national overview of the current conditions and resource requirements giving them the opportunity to develop informed plans and business strategies. The large number of respondents (1,292) to the 2006 survey provide sufficient depth to develop accurate analysis of markets of different age groups, size (in terms of the number of vendors), and regional location. Information from this study provides market managers and market organizers pertinent information regarding the typical product mix at markets, budget requirements, and changes in months of operation and other data to assist them in their planning decisions. Members of the farmers market sector displayed their interest in the importance of this data collection by their strong response rate of 34.5 percent to our voluntary survey conducted in 2006.

If our data collection request is approved data obtained from markets will represent a varied range of sizes, geographical locations, types, ownership, and structure. These markets will provide a valid overview of farmers markets in the United States. The information collected by this survey will evaluate the growth of the farmers market sector, provide the resource requirements of markets and outline strategies that can be used to revitalize existing markets.

A number of changes have occurred since the last survey of farmers markets in 2005. The number of farmers markets across the country has continued to increase substantially from 4,093 markets in the 2005 season, the period of time covered by the 2006 survey, to approximately 4,685 in 2008, representing a +14.5 percent increase. Product mix and offerings at farmers markets have adapted to consumer demands and new government programs have emerged that have exerted influence on farmers market sales. Government programs affecting farmers markets include the creation of the Senior Farmers Market Nutrition Program in March 2003 and the transition of the delivery system for the Supplemental Nutrition Assistance Program (SNAP) benefits, (formerly titled the Food Stamp Program) to Electronic Benefits Transfer (EBT) in 2002. The vast majority of SNAP benefits are currently being issued electronically. The Women, Infants, and Children Farmers Market program has increased in funding since 2000 and continues to influence farmers market sales. The collection instrument has been designed to gain a better understanding of the growth, composition and effect of such government programs on this alternative marketing outlet. The following section describes the changes made to the collection instrument with a brief explanation of why these changes were done.

Collection Instrument Modifications

Three questions have been added to the questionnaire to improve clarity. Section 2, question 3 quantifies those vendors that use a number of farmers markets as their sole marketing outlet. Section 5, question 12 is a new question added to determine the number of markets that have managers who manage more than one market. Section 7, question 2 is a new question added to get a measure of the total number of customers served by this farmers market.

The collection instrument has been reordered and segments of the questionnaire have been reformatted so that the questionnaire flows more smoothly and provides better clarity to respondents. The segments of the questionnaire that were previously called Parts are now called Sections, while the numbering of questions begins with the numeral one in every new section instead of running sequentially throughout the questionnaire. Labels for the local and mailing address lines have been added, and all references to the operating year for the farmer market have been removed and have been replaced by "last season". The following table describes how various questions in the survey instrument were reordered and/or modified, and provides the rationale for making each change.

Current location of question	Previous location of question	Modification of question
Section I		
Question 2	Same location	Revised to improve appearance and ease data entry
Question 3	Same location	Revised to improve clarity
Question 4	Same location	Revised to improve clarity
Section II		
Question 2	Part 3, question 27	n/a
Question 3	New question listed above	n/a
Question 4	Part 3, question 28	Revised to improve clarity
Question 5	Part 3, question 29	Revised for clarity and appearance
Question 6	Part 3, question 30	n/a
Question 7 (a)	Part 3, question 32	n/a

Question 7 (b)	Part 3, question 31	n/a
Question 8	Part 3, question 33	n/a
Section III		
Question 1	Part 1, question 6	Revised to improve clarity
Question 2	Part 1, question 10	Revised to improve clarity
Section IV		
Question 1	Part 1, question 7	n/a
Question 1(b)	Part 1, question 8	Reformatted for appearance
Question 2	Part 1, question 9	Reformatted for appearance
Section V		
Question 1	Part 2, question 12	n/a
Question 2	Part 2, question 13	This question was reworded so that respondents would not include parking lots and/or administrative office space in market area so that sales per square foot can be calculated.
Question 3	Part 2, question, 15	Reformatted for appearance
Question 4	Part 2, question 16	n/a
Question 5	Part 2, question 17	n/a
Question 6	Part 2, question 14	Reformatted for appearance
Question 7	Part 2, question 18	n/a
Question 8	Part 2, question 19	n/a
Question 9	Part 2, question 20	n/a
Question 10	Part 2, question 21	n/a
Question 11	Part 2, question 22	n/a
Question 12	New question described above	n/a
Question 13	Part 2, question 23	n/a
Question 14	Part 2, question 23	Question separated out for clarity
Question 15	Part 2, question 24	Reformatted for appearance
Question 16	Part 1, question 11	Reformatted for appearance
Question 17	Part 2, question 25	Revised for clarity
Question 18	Part 2, question 26	n/a
Section VI		
Question 1	Part 3, question 34	n/a
Question 2	Part 3, question 35	n/a
Question 3	Part 3, question 36.	n/a

Question 4	Part 3, question 37	n/a
Section VII		
Question 1	Part4, question 38	n/a
Question 2	New question described above	n/a
Question 3	Part 4, question 39	n/a
Question 4	Part 4, question 40	n/a

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.**

Market managers with computer access will be informed of the availability of filling and returning this form electronically via the Internet <http://www.prr.msu.edu/USDAFarmersMarket/login.html>. The electronic version of the non-responses survey can be found at: http://www.farmersmarketsurvey.com/inventory.html . Managers that have computer access can complete the form and submit it electronically. AMS has made every effort to gather a complete listing of e-mail addresses of farmers markets. The number of respondents that have provided AMS with e-mail addresses is 1,994; this represents 42.6 percent of the 4,685 markets known to exist. Questionnaires will be sent by surface mail to market managers that do not have e-mail addresses.

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.**

No other known information collection on the farmers market industry has the breadth of our information collection, which attempts to reach the manager of each farmers market in the country, Our agency also has the distinct advantage of being able to use the AMS National Farmers Market Directory (located at http://apps.ams.usda.gov/FarmersMarkets/), updated on an annual basis in the spring, as a primary tool in assembling a comprehensive survey distribution list).

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 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 responses to a question on annual sales revenues, 100 percent of farmers market managers responding to our latest survey would be classified as managers of small businesses. As all of our survey respondents are subjected to the same level of burden, there is no variance in the estimate of the burden across our expected group of respondents.

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.

Previous research studies undertaken by TMP have been utilized by State Departments of Agriculture, farmer groups, various USDA agencies and non-profit organizations. Without this study both governmental and non-governmental organizations who contact our agency frequently for objective national and regional information on farmers markets would be deprived of an essential strategic resource that facilitates effective planning, business development, resource allocation and policy formulation in the rapidly growing and evolving direct farm marketing sector. The frequent compilation of a robust national database on farmers market activities allows for in-depth analysis of farmers market performance and operations by region and size of operation, and provides essential guidance to market stakeholders at all stages of business development, as well as to policymakers who seek to support the expansion of farmers market activities. MSB plans to conduct a similar study every two years to identify trends in farmers market operations.

We anticipate that the level of burden in a future information collection will be reduced by the fact that the identification number assigned to each market during the 2006 survey will be maintained, so that any individual responding on behalf of a market that participated in the 2006 survey will not have to enter contact information for his or her market; these fields will already be populated.

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 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.**

There are no special circumstances. Data collection plans are consistent with 5 CFR 1320.6

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 26, August 2008, Vol. 73, No.166, page 50299, requesting a revision to a currently approved information collection and a request for comments. The Agency did not receive any 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 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.

The following reviewers were asked to critique the questionnaire for relevance and their ability to answer the questions as written.

Dawn Story
Forest Lake Farmers Market
Albemarle County, Virginia
433-977-2733

Cindy Gentry
Downtown Phoenix Public Market
602-493-5231

Diane Eggert
Farmers Market Federation of New York
315-475-1101

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.

There are no unique confidentiality policies.

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.

Two questions ask farmers market managers to estimate the percentage of their producers/vendors that belong to specific racial categories and ethnic groups. These questions are being asked to determine if various ethnic communities are being adequately served by the farmers market in their local area and to determine the degree that minority farmers participate in farmers markets and are able to use farmers markets to generate farm income. These questions comply with OMB Federal Regulation V62 #210, pp. 58781-58790.

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.

There are approximately 4,685 markets nationwide. It is estimated that it will take 19 minutes to complete the primary questionnaire. The estimated amount of time used by non-respondents to review the long form questionnaire before deciding not to complete the questionnaire is estimated to take 2 minutes. In order to measure the potential non-response bias and impose the least amount of burden on market managers, we will survey a random sample of non-respondents. The non-response survey will be comprised of 8 questions contained in the long form survey. The non-respondent survey will be sent to a minimum of 15 percent of the non-respondents; we provisionally estimate that the number of the respondents to this survey will be 2,000. We anticipate a response rate of 24 percent yielding 480 completed questionnaires. We estimate that the non-respondents to the primary survey, who complete the response bias survey (short form), will require 5 minutes to complete this 8 question survey plus 2 minutes they previously spent reviewing the long form questionnaire before deciding not to complete the long form. We estimate that non-respondents to the response bias survey (short form) will review our request for their participation for 2 minutes before they decline to complete the response bias questionnaire. Total time estimated to be spent by the non-respondent on the short form survey is 4 minutes, 2 minutes to review the long form questionnaire and 2 minutes to review the short form questionnaire before deciding not to complete either questionnaire. Time estimates for the primary survey are based on conversations with test respondents that were provided the questionnaire for review. Estimates for the non-respondents and the response bias survey were estimated by staff. Total burden for this study is estimated to be 356 hours.

There is no variance in the estimate of the burden across our group of respondents. All respondents are asked to complete the same form; therefore, all respondents have the same level of burden. All questions asked in the questionnaire refer to data that market managers can be expected to have ready access to as part of their normal routine.

The estimated cost incurred is:
1,640 X .32 hour X $19.75 = $10,365 (respondents to the primary survey) plus
3,045 X .03 hour X $19.75= $1,804 (non-respondents to the primary survey) plus
480 X .08 hour X $19.75= $758 (respondents to the response bias survey) plus
1,520 X .03 hour X 19.75 = $901 (non-respondents to the response bias survey)
for a total cost of $13,828.

This calculation was based on the wage rate for occupation code 45-1011 (First-Line Supervisors/Managers of Farming, Fishing, and Forestry Workers) reported by the Bureau of Labor Statistics ($19.75 per hour).

13. PROVIDE AN ESTIMATE 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 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.

There is no capital/start up or ongoing operation/maintenance costs associated with this information collection. All questions asked in the questionnaire refer to data that market managers can be expected to have ready access as part of their normal routine.

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 project cost estimate for the survey is $57,174, representing a +$22,404 increase over the 2006 survey. Changes in the projected cost largely reflect an increase in the number of respondents and higher hourly wage rates

Cooperative Research Agreement with Michigan State University and Personnel

Purpose	**Cost Estimate**
Formatting database and developing data definition dictionary	$2,000

Developing capacity that permits Federal Agency to remotely download the survey database	$2,000
Send invitations and reminder e-mails; monitor returns; answer questions and resolve technical problems, provide Federal Agency with invalid e-mail addresses and additional farmers market contact information that may be provided	$9,000
Send up to 2,500 printed survey questionnaire and cover sheet to farmers market managers that do not have accurate e-mail addresses and/or only have mailing addresses, and provide the Federal Agency with a list of undeliverable mailing addresses	$6,000
Send three reminder postcards to markets that have not responded to e-mails and/or the mailed invitation letter and survey questionnaire	$2,000
Send non-respondent questionnaire by certified mail to 600 non-respondents	$4,000
Develop mail merge database for each mailing	$2,000
Clean data and provide Federal Agency with Excel and SAS ready data files	$2,000
Code 1,000 printed surveys that are returned through mail	$3,000
Sub Total	**$32,000**

Oversight of Cooperative agreement by MSD staff (20 percent of the salary of GS 12 step 7 for nine months) $87,717 x 0.75 x 0.20 =	$13,158
Printing and design of final report	$7,000
	$52,158
AMS Overhead	$5,016
Total	**$57,174**

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

There is a decrease of -230 burden hours estimated for this survey which is due to a more precise measurement of time required by respondents and non-respondents to review and/or complete the survey questionnaire. This questionnaire will be sent to approximately 4,685 managers; 1,640 managers are expected to complete the questionnaire and return it. This represents an estimated response rate of 35 percent. The time required to complete this survey questionnaire is estimated to be 19 minutes, based on a time test of the questionnaire with selected farmers market managers which was the same time required when we tested the 2006 survey. However, the time of 19 minutes is applied only to the estimate of the number of farmers market managers that are expected to respond to the long form of the survey. We will survey a random sample of a minimum of 15 percent of the non-respondents; we provisionally estimate that the number of the respondents to this survey will be 2,000. A short form survey comprised of a subset of 8 questions contained in the long form survey will be sent to non-respondents of the long form survey to measure for potential survey bias. Market managers that do not respond to the long survey and do not receive a response bias survey are estimated to spend 2 minutes to review our request to participate in the long form survey before they decline to participate. Non-respondents to the long survey that receive a response bias survey (short form) and completed that questionnaire are estimated to spend 2 minutes to review and decline completing the long form survey and 5 minutes completing the short form survey. Therefore, respondents to the short form survey are estimated to spend a total time of 7 minutes. The non-respondents to the long form survey that were also asked to complete a short form survey questionnaire and declined to complete either questionnaire are estimated to spend 2 minutes to review each request to participate in the survey before they decline, for a total time of 4 minutes.

The cost to respondents for this survey is estimated at $13,828, which is a -$380 decline from the 2006 survey. The lower cost is due a lower time estimate required by respondents to complete the questionnaire. The reduction in the amount of time needed by respondent to complete the survey is due to a more precise measurement of the time required by respondents and non-respondents.

The project cost estimate for the survey is $57,174, a +$24,404 increase over the 2006 survey. Changes in the projected cost reflect an increase in the number of respondents, and higher hourly wage rates.

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.

The data will be gathered through a cooperative agreement with Michigan State University. Respondent answers will be captured by an Access database. Raw survey data will be exported into SPSS and summarized. Summarized data will be published in

USDA reports. Information will be distributed externally. Summary statistical reports and cross tabulation reports will be prepared to examine the differences in data responses across regions, market size, and market years of operation, and comparisons will be made to identical data collected in previous years. The projected timeline for this project is as follows.

Dissemination of survey questionnaire	March 2010
Completion of data collection	June 2010
Data analysis complete	September 2010
Draft report completed	May 2011
Report released	September 2011

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 plans to print the expiration date of OMB approval of the information collection on all instruments.

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

There are no exceptions to the certification statement.