

SUPPORTING STATEMENT FOR

0584-0501

*Supplemental Form for Collection Taxpayer Identifying Numbers
FNS - 711*

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Justification

1. Explain the circumstances that make the collection of information necessary.

This is an extension of a currently approved information collection. Section 31001(y) of the Debt Collection Improvement Act of 1996 (Public Law 104-134) requires all Federal agencies to obtain taxpayer identifying numbers (TINs) from all individuals and entities they enter into a direct payment agreement with to furnish the TIN whenever a request for payment is submitted to Federal payment officials. A taxpayer identifying number can be either a Social Security Number or an Employer Identification Number.

Additionally, Departmental Regulation 2100-2 requires all individuals and entities doing business with the U.S. Department of Agriculture to furnish a taxpayer identifying number.

2. Indicate how, by whom, and for what purpose the information is to be used.

This information (taxpayer identifying numbers) is collected using form FNS-711 from all individuals and entities receiving payments directly from the Food and Nutrition Service under any of the various nutrition and nutrition education programs administered by the Agency. Such individuals and entities include program sponsors, contractors and other individuals receiving payment directly from the Agency. The information is collected at the time of program application, and is only collected once unless an entity renews its application or reapplies for program participation. Contractors entering into a one-time transaction with the Food and Nutrition Service provide this information at the time services are provided or products are purchased. At the time vouchers are presented for payment, the taxpayer identifying numbers of payment recipients are made available

to Treasury to match against a debtor masterfile to facilitate debt collection by administrative offset under the Debt Collection Improvement Act of 1996, and for income reporting to the Internal Revenue Service.

3. Describe the use of automated, electronic, mechanical, or other information technology to reduce burden.

According to the E-Government Act 2002, (E-Gov) the Food and Nutrition Service has reviewed the process for collection and submission of taxpayer identifying numbers via Form FNS-711. We currently have an electronic version of the form available for downloading on our public website. The form is in PDF format, and is not available to be filled out or submitted online.

4. Describe efforts to identify duplication.

Although taxpayer identifying numbers are collected elsewhere in the Federal government, legislative restrictions prevent the Food and Nutrition Service from legally obtaining social security numbers from other government agencies. And, as stated above, the Debt Collection Improvement Act of 1996 and Departmental Regulation 2100-2 require that the Agency collects this information from all individuals and entities we do business with.

5. If the collection of information impacts small businesses or other small entities.

Information being requested or required has been held to the minimum required for the intended use. Circumstances limit the flexibility in modifying the reporting requirements.

FNS has determined that the requirements for this information collection do not adversely impact small businesses or other small entities. The Act requires that FNS collect certain information from all firms, regardless of size, to ensure timely payments to individuals or entities doing business with FNS. FNS estimates that there are 400 Business who responds to this data collection. Out of the 400 Business, FNS estimates approximately 10 percent or 40 are considered small business.

6. Consequences of Collecting the Information Less Frequently.

If this information collection is not conducted, the Food and Nutrition Service would be unable to include taxpayer identifying numbers with each certified request for payment. This would put the Agency in noncompliance with the law as required by the Debt Collection Improvement Act of 1996.

7. Special Circumstance Relating to the Guidelines of 5 CFR 1320.5.

There are no special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.5.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside Agency.

A Federal Register notice, soliciting comments from the public on this information collection, was published July 15, 2009 (Volume 74, Number 134, Pages 34294-34295). The Agency received no comments in response to the notice.

Due to the minimal information being requested, and to the fact that this information collection is required by law, no further attempts have been made to consult with potential respondents or interested parties other than the 60-day Federal Register notice cited.

9. Explain any decision to provide any payment or gift to respondents.

There are no plans to provide any payments or gifts to respondents.

10. Describe any assurance of confidentiality provided to respondents.

The Privacy Act of 1974 requires that before personal identifying information (such as taxpayer identifying numbers) may be shared with other entities, a Privacy Act notice must first be published. Therefore, the Food and Nutrition Service published such a Privacy Act System of Record Notice (SORN) FNS-10 on individuals doing business with Food and Nutrition Service, March 31, 2000 in the Federal Register Volume 65 pages 17251-52 to specify the uses to be made of the information in this collection.

Access to records is limited to those persons who process the records for the specific uses stated in this Privacy Act notice. Records in such formats as magnetic tapes and disks are kept in physically secured rooms and/or cabinets. Various methods of computer security limit access to records in automated databases. Paper records are segregated and physically secured in locked cabinets.

11. Provide additional justification for any questions of a sensitive nature.

As stated above, this information collection is required by law. As also stated in our response to Question 4, the Food and Nutrition Service is legally unable to obtain social security numbers from other Federal agencies. Except for the collection of social security numbers, there are no additional questions of a sensitive or private nature in this information collection.

12. Provide estimates of the hour burden of the collection of information.

It is estimated that 800 respondents (400 Business and 400 Individual/Households) will complete this information collection annually. Unless a respondent enters into multiple contracts with the Food and Nutrition Service, or is required by program regulations to renew their application periodically, they will only have to provide this information once at the time of program application. So for the majority of respondents, only one response will be required. Since the information collection is minimal, requiring the respondent to provide only name, address and taxpayer identifying number, it is estimated that completion of the information collection should take no more than 5 minutes (0.0835 hours). Therefore, the total annual burden is estimated to average 66.4 hours annually ($800 \times 0.0835 = 66.4$).

▪ **Provide estimates of annualized cost to respondents for the hour burdens.**

The annual cost to respondents for this information collection is estimated at \$1,233.

This estimate was determined by multiplying the number of annual respondents (800) by the estimated time required to complete the information collection (0.0835 hours) to get the total annual burden hours. This figure was then multiplied by the national average hourly earnings (\$18.57) by individuals in private industry for March 2009 (these figures

were obtained from the Bureau of Labor Statistics) to arrive at the total estimated annual cost of \$1,233.

13. Estimates of other total annual cost burden to respondents or record keepers.

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.

The annual cost of this information collection to the Federal government is estimated to be \$1,206. This was determined based on the amount of time spent by FNS staff in the clearance of the form, including publishing a Federal Register notice, and includes an estimate for making the form available on the internet. The results are summarized in the table below:

COST ESTIMATE			
EMPLOYEE	HOURS	HOURLY RATE	TOTAL COST
GS-14	21	57.42	1,206.00

15. Explain the reasons for any program changes or adjustments.

This is an extension of a currently approved collection. No program changes or adjustments are requested.

16. Plans for Tabulation and Publication and Project Time Schedule.

There are no plans to publish any of the information obtained in this collection.

17. Reason(s) Display of OMB Expiration Date is Inappropriate.

The Agency is seeking approval to not display the OMB expiration date on the form associated with this information collection. We believe that the expense involved in reprinting the form each time a new OMB expiration date is obtained would not be cost effective, and would not serve in the best interests of the public.

18. Explain each exception to the certification statement.

There are no exceptions to the certification statement. The Agency is able to certify compliance with all provisions under Item 19 of OMB Form 83-1.