

Supporting Statement – Part A

COLD STORAGE

OMB No. 0535-0001

TERMS OF CLEARANCE

In accordance with 5 CFR 1320, the information collection is approved for a period of two years. During this approval, the agency should work with OMB to address issues of non-response bias in these surveys. In the next request for approval, the agency must include, at the very least, a plan and timeline for addressing non-response bias. (12/20/2007)

Over the course of the last few years, NASS has implemented special measures to ensure not only improved response rates for Cold Storage facilities but also improved coverage of stored commodities. NASS Field Offices have focused non-response efforts, through personal visits, to the largest facilities with potentially the greatest impact on storage estimates. The following table describes not only response rates for all surveys covered under this docket, but also the percent of commodities stored represented by those reporting data.

Survey	Questionnaire ID	No. of States	Sample Size	Frequency	Response Rates for 2008	Commodity Coverage
Voluntary Surveys						
Monthly Cold Storage Report	080056B	44	1,089	12	66%	86%
Monthly Fruit Storage Report	80057	3	76	8	82%	95%
Monthly Apple Storage Report	200570-42	1	109	12	73%	86%
Monthly Juice Storage Report	80058	1	1	12	100%	100%
Refrigerated Storage Capacity	80060-RB	44	2,731	0.5	77%	96%
Mandatory Surveys						
Monthly Cold Storage Report <u>1/</u>	080056B	44	308	12	95%	95%

1/ Cold Storage did not become mandatory until 2008 for plants that have butter or cheese stored in their location.

Limited (publicly available) administrative data are available for some Cold Storage facilities not reporting, although general information is available on company size and types of commodities they store. All facilities are categorized/stratified during the biennial capacity survey that represents the universe of facilities. By survey, the following information is known about many of the non-respondents.

- Many of them are smaller scale facilities,
- Some of the fruit storage facilities will stop reporting when they run out of fruit, and they may have been miscoded as a refusal or inaccessible, when actually they should have been counted as a complete with zero inventory and then dropped from the sample until the following season,
- NASS is directing more resources towards improving response rates for all surveys.

In addition to focusing specifically on those respondents not reporting, NASS has begun work on five initiatives focused on standardizing systems, processes and data collection activities. This two year effort includes the addition of a NASS central data center where all collection activities are coordinated. Methodologists will be housed at this facility as well as enumerators trained as refusal conversion specialists in an effort to focus on surveys and populations with traditionally low response rates. When realized, these initiatives should improve NASS' capacity to more effectively handle follow-up surveys with the agency's most difficult respondents.

A. JUSTIFICATION

This docket is being submitted for revision and extension of three years. Only minor changes are being made from the previous submission, such as slight changes to sample sizes and total burden.

- 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 National Agricultural Statistics Service's primary function is to prepare and issue State and national estimates of crop and livestock production, value, and disposition. In this capacity the Agency also prepares a number of associated estimates affecting the agriculture industry, such as this Cold Storage report. This monthly survey provides information on national supplies of food in refrigerated storage facilities. A biennial survey of refrigerated warehouses is also conducted to provide a benchmark of the capacity available for refrigerated storage of the nation's food supply.

Providing information on national supplies of food in refrigerated storage facilities has been the responsibility of the Department of Agriculture since 1914. This service is the outcome of an investigation made by the Department in 1911, in response to allegations that food warehouses were being used by food speculators to "corner the market" and drive up prices paid by consumers. The Secretary recommended that the public should know the amounts of foods in warehouses and that the Department should issue periodic reports on a pre-announced day and time.

General authority for these data collection activities is granted under U.S. Code Title 7, Section 2204. This statute specifies that "The Secretary of Agriculture shall procure and preserve all information concerning agriculture which he can obtain ... by the collection of statistics ... and shall distribute them among agriculturists."

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.

The monthly Cold Storage reports include inventory statistics for approximately 100 food items held in public, private, and semi-private refrigerated warehouses. USDA agencies such as the World Agricultural Outlook Board, Economic Research Service, and Agricultural Marketing Service use information from the Cold Storage report in setting and administering government commodity programs and in supply and demand analysis. Included in the report are stocks of pork bellies, frozen orange juice concentrate, butter, and cheese which are traded on the Chicago Board of Trade.

The stocks figures in the Cold Storage reports are used by food processors, food brokers, and farmers in making production, marketing, and pricing decisions. The availability of this data results in the production and marketing of products in a more efficient and orderly fashion, which in turn helps to stabilize prices. The warehouse industry uses the published data to learn what portion of total food storage is in public space and the occupancy level of cooler and freezer rooms. The stocks numbers are also used by industry analysts, transportation companies, insurance adjustors, banks, and other lending institutions as they service the refrigerated warehouse and food service industries. The monthly *Cold Storage* report is placed in a Civil Defense file to be available as part of the country's preparedness file in case of national emergency.

Information from the biennial *Capacity of Refrigerated Warehouses* report is used by warehousemen, food processors, and Government agencies such as the Farm Service Agency and Environmental Protection Agency to determine the number of plants and the amount of refrigerated space on a State and national basis.

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 monthly Cold Storage Survey currently uses primarily e-mail to obtain data; about 7 companies representing 125 facilities, query their databases for the information asked for on the questionnaire and then send in the spreadsheet (Excel) or text file to NASS via e-mail. The files are reformatted and appended to the regular keyed data file. With hundreds of firms/branches being asked for data on 100 items, this spreadsheet-based method is the most efficient and places the least amount of burden on the respondents. Approximately 9 percent of responses are received this way but they account for 60 percent of total tonnage.

The other surveys in this information collection package are edited and summarized with software that are not compatible with the EDR system. We are looking to update these systems and then NASS will be looking to incorporate these into a web based application.

4. **Describe efforts to identify duplication.**

The National Agricultural Statistics Service cooperates with State Departments of Agriculture and land grant universities to conduct agricultural surveys. This eliminates data gathering by more than one agency. NASS constantly builds and maintains a list sampling frame which contains identification information on all operations that have either refrigerated, freezer, or controlled atmosphere facilities along with their usable capacity data. The name, address, and telephone number(s) of operations are continuously monitored to eliminate duplication in this frame. These surveys meet both State and Federal needs, thus eliminating duplication and minimizing reporting burden on the agricultural industry.

For the Monthly Fruit Storage survey, NASS receives data from the US Apple Association for Michigan, so NASS has been able to discontinue that survey in Michigan. NASS is working with the US Apple Association to see if we can obtain the same information for other States so that we can discontinue this survey for the other States involved.

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.**

New York State has a mandatory reporting requirement for licensed warehouses. Data collected by the New York Director of Agricultural Statistics are made available for the Federal program. Agreements in Pennsylvania, Michigan, and

Washington cover the collection of data on fresh apples in storage. Also, where possible, apple stocks from the United States Apple Association are used. This ensures comprehensive coverage, and reduces the multiplicity of reports asked of the industry. With the exception of apples in the above-mentioned States and the New York program, data collected on this survey are not available from any other source.

Juice Storage data is collected from the Florida Department of Citrus Grower Co-Op. We can now collect this information from one source instead of from all the individual operations.

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.

Collecting data less frequently reduces the value of the information to data users. A majority of the items have certain times when there is heavy movement into and out of storage and these movements are important to track. Data collection is timed to coincide with the availability of the respondent's monthly inventory report and requires a minimum of additional effort.

For those facilities, which store butter or cheese, an accurate response to this monthly inquiry is mandatory under **Public Law No. 106-532 and 107-171**.

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;...

Survey data is collected monthly and biennially depending on the need for information to keep the U.S. Department of Agriculture abreast of changes at the State and national level. Timing and frequency of the surveys have evolved to meet the needs of producers, facilities, agribusinesses, and government agencies.

8. 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.

The Federal Register Notice soliciting comments was published on August 7, 2009 on pages 39608-39609. No public comments were received in connection with this notice.

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.

The following trade associations are consulted regarding the Cold Storage Survey:

International Association of Refrigerated Warehouses
1500 King St, Suite 201
Alexandria, VA 22314

United States Apple Association
8233 Old Court House Rd
Vienna, VA 22182

National Chicken Council
1015 Fifteenth St, NW
Washington, DC 20005

Processing Strawberry Advisory Board of California
741 East Lake Ave
Watsonville, CA 95077

National Milk Producers Federation
2101 Wilson Boulevard, Suite 400
Arlington, Virginia 22201

Florida Department of Citrus
1115 E Memorial Blvd
Lakeland, FL 33801

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

There are no payments or gifts to respondents.

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

Questionnaires include a statement that individual reports are confidential. U.S. Code Title 18, Section 1905 and Title 7, Section 2276 provide confidentiality for reported information. All employees of NASS and all enumerators hired and supervised under a cooperative agreement with the National Association of State Departments of Agriculture (NASDA) must read the regulations and sign a statement of compliance.

Additionally, NASS and NASS contractors comply with OMB Implementation Guidance, "Implementation Guidance for Title V of the E-Government Act, Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA), (Public Law 107-347). CIPSEA supports NASS' pledge of confidentiality to all respondents and facilitates the agency's efforts to reduce burden by supporting statistical activities of collaborative agencies through designation of NASS agents; subject to the limitations and penalties described in CIPSEA.

For those facilities which store butter or cheese, response to the dairy products portion of the Cold Storage Report is **mandatory** and subject to verification by the Agricultural Marketing Service under **Public Law No. 106-532**. This law specifically protects the confidentiality of the operator's data from public disclosure, except as directed by the US Secretary of Agriculture or the US Attorney General for enforcement purposes to ensure compliance with the Dairy Product Mandatory Reporting program.

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

There are no questions of a sensitive nature.

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.

Cost to the public of completing the questionnaires is assumed to be comparable to the hourly rate of those requesting the data. Reporting time of 7,949 hours are multiplied by \$24 per hour for a total cost to the public of \$190,776.

Annual Projected Cold Storage Response Burden for 2010 - 2012

	Sample Size	Frequency	Responses				Nonresponses				Total Burden Hours
			Resp. Count	Freq x Count	Min./ Resp,	Burden Hours	Nonresp. Count	Freq. x Count	Min. / NonResp.	Burden Hours	
Voluntary Surveys											
Monthly Cold Storage Report	1,100	12	880	10,560	30	5,280	220	2,640	2	88	5,368
Monthly Fruit Storage Report	100	8	80	640	15	160	20	160	2	5	165
Monthly Apple Storage Report	100	12	80	960	10	160	20	240	2	8	168
Monthly Juice Storage Report **	1	12	1	12	15	3	0	0	2	0	3
Refrigerated Storage Capacity*	2,850	0.5	2,280	1,140	15	285	570	285	2	10	295
Voluntary Subtotal	2,850		3,321	13,312		5,888	830	3,325		111	5,999
Mandatory Survey											
Monthly Cold Storage Report	325	12	325	3,900	30	1,950	0	0	2	0	1,950
Mandatory Subtotal	325		325	3,900		1,950	0	0		0	1,950
Total	3,175		3,646			7,838	830			111	7,949

* Capacity Survey is conducted only in odd numbered years of everyone who has refrigerated storage capacity. The other surveys are all a subsample of this population.

** The Juice Storage information is collected from the Florida juice coop for all their members, which accounts for approx. 99% of total juice stored.

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.

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 which should include quantification of hours, operational expenses (equipment, overhead, printing, and staff), and any other expense that would not have been incurred without this collection of information.

The total cost to the Federal government for the Cold Storage Surveys is approximately \$600,000. About 95 percent of that is staff cost for data collection and the remainder is out-of-pocket cost.

15. Explain the reasons for any program changes or adjustments (reasons for changes in burden).

The new burden hour total of 7,949 is 1,565 hours more than the current inventory of 6,384 hours. In the previous submission there was an error in the spreadsheet used to calculate the response rate for the Cold Storage Survey; it should have been the minimum of 80% response rate, instead it was keyed in at 66%. There was also a minor increase in the amount of burden associated with non-responses, in the previous spreadsheet, NASS allowed one minute per record, but we have since changed that to two minutes on other dockets. This results in a net increase due to an adjustment in agency estimate of 1,295 hours.

Program changes due to agency discretion resulted in a net increase of 270 hours. Included in this count are; increases due to larger samples for Monthly Cold Storage, Refrigerated Capacity and the mandatory Cold Storage surveys; and decreases in sample sizes for Fruit Storage, and Juice Storage. The decrease in Juice Storage from previously projected 100 respondents to 1 was achieved by collecting data from the Florida Department of Citrus, who collects data from all storage facilities in their State.

The Refrigerated Capacity sample is the population that the other surveys are drawn from, so these are not additional respondents.

Operations that store butter or cheese are required by law (Public Laws 106-532 and 107-171) to provide this information on a monthly basis. We have separated these from the voluntary respondents in the burden calculation table.

- 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.**

Cold storage, fruit storage, juice storage, and apple storage questionnaires are mailed about the 24th of each month. Each response is compared with the response on the previous month's questionnaire for completeness and accuracy. Sharp changes are investigated for possible reporting or copying errors. Estimates are made for missing reports based on monthly changes for firms reporting. The historical relationships of commodities are also used in making these estimates.

The *Cold Storage* report provides stocks data for approximately 100 items. National totals are provided for all food items and regional totals for many items. The *Cold Storage* report is issued about the 20th of each month for the preceding month.

The Refrigerated Storage Capacity Survey is conducted October 1 of every odd numbered year to determine the number of plants and the amount of refrigerated, freezer, and controlled atmosphere space is available on a State and national basis. The *Capacity of Refrigerated Warehouses* summary report is issued the following January.

These publications are available on-line immediately after release at:

Capacity-

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1424>

Monthly Cold Storage-

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1034>

Annual Cold Storage Summary-

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1416>

- 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.**

There is no request for approval of non-display of the expiration date.

- 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.

November, 2009