

SUPPORTING STATEMENT

Trade Adjustment Assistance for Farmers

1. Circumstances that make the collection of information necessary.

The American Recovery and Reinvestment Act of 2009 reauthorized and modified the Trade Adjustment Assistance for Farmers program as established by Subtitle C of Title I of the Trade Act of 2002, which amended the Trade Act of 1974. Under this program, the U.S. Department of Agriculture (USDA) provides technical assistance and cash benefits to eligible producers of raw agricultural commodities and fishermen (jointly referred to as “producers”) when the Foreign Agricultural Service (FAS) Administrator determines that increased imports of raw agricultural commodities, aquaculture products, or wild-caught aquatic species (jointly referred to as “agricultural commodities”) have contributed importantly to a greater than 15 percent decrease in the national average price, or quantity of production, or value of production, or cash receipts for the agricultural commodity specified in the certified petition compared to the average of the three preceding marketing years. Section 298 of chapter 6 authorizes an appropriation of not more than \$90 million for fiscal years 2009 and 2010, and \$22.5 million for the first three months of fiscal year 2011 to carry out the purposes of this program. An interim rule implementing the TAA for Farmers program will be published in late February, 2010. To ensure compliance with the provisions of chapter 6, an information collection is required for the TAA for Farmers program to collect petition’s for certification of eligibility (form FAS-930), application’s filed by an individual producer (form FSA-229) for TAA for Farmers benefits, and a travel and expense claim form (FSA-232) submitted by producer which helps defray reasonable transportation and substance expenses incurred by producer in connection with initial technical assistance training.

2. Purpose and actual use of an information collection.

In order to administer the TAA for Farmers program, the interim rule, 7 CFR part 1580, established procedures and requirements to permit producers to petition and apply for program benefits. The information collection provides essential data and economic information for use by FAS, Farm Service Agency (FSA), Economic Research Service (ERS), National Institute of Food and Agriculture (NIFA, formerly named the Cooperative State Research, Education, and Extension Service), and other agencies within the Department in preparing recommendations for the Secretary to assist in fulfilling statutory obligation of chapter 6 to provide trade adjustment assistance to eligible producers in an effective and timely manner. Producers making application for benefits under this program must maintain accurate records and accounts for 2 years after the date of the final payment to the producer under this program.

The forms are attached and summarized below:

Form FAS-930 - Petition for Certification and Eligibility for a Group of Producers

Section 292 of chapter 6 requires that a group of agricultural commodity producers, or their duly authorized representative, submit a petition for certification of eligibility to apply for TAA for Farmers benefits. The interim rule solicits data that is essential for the Secretary in order to make a determination on whether the eligibility criteria have been

met and a certification of eligibility can be issued for a group of producers. The information collection requires that a petition contain: standard business information; a description of the raw agricultural product to be covered by a certification; whether the certification is to cover national production of a commodity or production in an impacted geographic area (e.g., state or states); the beginning and ending month of the most recent marketing year for a commodity being petitioned; the current national average price, or quantity of production, or value of production, or cash receipts for the agricultural commodity specified in the petition, and the average of which over the three preceding marketing years; the U.S. Harmonized Tariff Schedule (HTS) number under which imports of a like or directly competing commodity enter the United States; and a statement explaining why a petitioner believes that increased imports of a like or directly competitive agricultural commodity are affecting price, or quantity of production, or value of production, or cash receipts. The petition may be mailed to the:

Import Policies and Export Reporting Division
Foreign Agricultural Service
1400 Independence Avenue, SW.,
Stop 1021
Washington, D.C. 20250-1021
Faxed to (202) 720-8461, or e-mailed to tradeadjustment@fas.usda.gov.

Form FSA-229 - Application for Trade Adjustment Assistance (TAA) for Farmers for Individual Producers

Within 90 days after the Secretary has issued a TAA for Farmers certification of eligibility for a group of producers or fishermen, a producer or fisherman whose commodity is covered by a certificate of eligibility may submit an application to receive technical assistance and cash payments under the TAA for Farmers program. Applicants submit the original of the completed form in hard copy or facsimile to the appropriate USDA servicing office. To submit this form by facsimile an applicant must have submitted an original signature on FSA-237, Facsimile Signature Authorization, and Certification, except for Alaska residents. Customers who have established electronic access to credentials with USDA may electronically transmit this form to the USDA servicing office, provided that (1) the customer submitting the form is the only person required to sign the transaction, or (2) the customer has an approved Power of Attorney (Form FSA-211) on file with USDA to sign for other customers for the program and type of transaction represented by this form. The information collection conforms to the requirements of section 296 of chapter 6 regarding criteria that must be met by an agricultural commodity producer or fishermen adversely affected by increased imports to qualify for technical assistance and cash payments. The application form requires submission of standard business information and production or price information. In addition, the application form requires that a producer or fishermen certify that the statutory criteria have been met with respect to -- (A) cash benefits received under other Trade Adjustment Assistance programs, (B) counter-cyclical and Average Crop Revenue Election payments, (C) average adjusted gross income, and (D) benefits received under other Trade Adjustment Assistance for Farmers certified petitions. An applicant must certify that he/she understands that payments may be reduced if counter-cyclical and Average Crop Revenue Election payments are received, that TAA for Farmers payments

are limited to \$12,000 over a 36-month period from the date which a petition was certified, and that a signed certification authorizes FSA to have access to records for purposes of verifying the information in a certification. The information collection conforms to the requirements of section 296 of chapter 6 regarding criteria that must be met by an agricultural commodity producer or fishermen adversely affected by increased imports to qualify for technical assistance and cash payments. The application form requires supporting documentation. Specifically, documentation must be provided to show (1) their counter-cyclical and Average Crop Revenue Election payments; and (2) their average gross nonfarm income for the year in which the petition is certified does not exceed \$500,000, and their average adjusted gross farm income does not exceed \$750,000. The documentation regarding income requirements may be either documents from a certified public accountant or attorney, or appropriate tax documents. A Part D – Share of Commodity Production Provided to Employees by Cash Payment is being added to the already approved FSA 229 form. Part D will be used to identify crew members that are eligible for share of the catch marketed by the master of the vessel, owner or captain. This information collection will ensure that crew members eligible for trade adjustment assistance receive the appropriate compensation.

Form FSA-232 - Trade Adjustment Assistance (TAA) for Farmers – Travel and Expense Claim Form

The Administrator (FAS) may authorize supplemental assistance necessary to defray reasonable transportation and subsistence expenses incurred by a producer in connection with the initial technical assistance, if such initial technical assistance is provided at facilities that are not within normal commuting distance of the regular place of residence of the producer. NIFA and FSA will work with the producer and the Administrator (FAS) to facilitate application for and proper payment of reasonable allowable supplemental expenses.

3. Use of automated, electronic, mechanical or other technological collection techniques and consideration of such techniques.

The FAS and FSA forms for a petition and an application are available (printable only) on the Department's website.

Under Development Electronic Submission

FAS is committed to compliance with the e-Government Act (e-Gov), which requires Government agencies, in general, to provide the public the option of submitting information or transacting business electronically to maximum extent possible. Electronic submission of the information collection will be implemented before December 2011 in compliance with the e-Gov. The Department will request OMB approval of forms that are being developed for electronic submission of the information collection.

4. Efforts to identify duplication.

The request for information under this regulation does not duplicate any other Departmental requirements.

5. Impact on small businesses.

The information collection does not adversely impact small farm operations. The minimal regulatory requirements impact large and small businesses equally, and the program's benefits should improve cash flow and liquidity for farmers participating in the program.

6. Consequences if the information collection is not conducted.

The information collection is necessary to determine producer eligibility to obtain technical assistance and cash payments under the Trade Adjustment Assistance for Farmers program. There is a 40-day deadline by which the Secretary must determine whether a petitioning group meets the statutory requirements to be issued a certification of eligibility for trade adjustment assistance. The supporting data regarding the details of the market situation and conditions of competition for many raw agricultural products, particularly horticultural and specialty crops may not be readily available from official Departmental data sources.

Without the information collections, the Department would have an extremely short period of time in which to: (1) identify/classify the domestic products, or class of produce, being petitioned for coverage under a certification (for purposes of data collection and analysis), and the "like or directly competitive" product imports that are adversely affecting U.S. producers; (2) compile the necessary data; (3) analyze the effects of imports on producer's national average price, or quantity of production, or value of production, or cash receipts for the agricultural commodity specified in the certified petition compared to the average of the three preceding marketing years; and (4) determine whether eligibility for trade adjustment assistance is warranted in terms of the criteria set forth in the section 292 of chapter 6. If the collection of information were not conducted, analysts within the Department might not have sufficient information on which to justify a recommendation to the Secretary for certification that might be warranted. In addition, the information collection in an application for trade adjustment assistance benefits request production, or price data of an individual producer. The Department may not otherwise have access to certain information, such as adjusted gross income.

7. Special circumstances requiring -- reporting more than quarterly; response to a collection in less than 30 days; submission of more than an original and two copies of documents; record keeping for more than three years, additional statistical surveys and classifications; submission of proprietary information.

There are no special circumstances.

8. Federal Register notice required by 5 CFR 1320.8(d) and efforts to consult with persons outside the agency regarding the information collection.

A Federal Register notice requesting comments to revise the currently approved information collection procedures for the TAA for Farmers program was published on November 30, 2009, pages 62558-62559. No comments were received.

9. Payments or gifts to respondents.

No payments or gifts were offered.

10. Assurance of confidentiality for respondents.

The information requested under the regulation is not of a confidential nature except for the requirement in a producer's application for a trade adjustment assistance payment that requires information on a producer's adjusted gross income. Information submitted on income will not be disclosed outside the Department and will be handled in the same manner as business confidential information.

11. Justification for questions of a sensitive nature.

The information requested under the regulation is not of a sensitive nature.

12. Estimate of the hour burden of the information collection.

Respondents to the information collection include producers of raw agricultural commodities or their duly authorized representatives. The estimated number of respondents is 1,250 and the estimated aggregate annual reporting burden is 8,371 hours. The estimated total annual dollar cost of the reporting burden of 8,371 hours is \$251,130 (based on a standard bookkeeping rate of \$30 per hour).

13. Estimate of dollars spent for capital start up costs.

There are no capital start up costs.

14. Estimate of dollar cost to the Federal Government.

The estimated dollar cost to the Federal Government to establish a trade adjustment assistance program and implement the requirements of the statute is estimated at \$2.4 million. The annual administrative, maintenance, and compliance cost of continuing the program is estimated at \$1 to \$2 million annually. The costs are summarized in Table 2.

Table 2: Estimated dollar Costs to the Federal Government

ACTIVITY	DOLLAR COST (millions)
Administrative/analytical costs to establish procedures to evaluate petitions and prepare advice for the Secretary in order to meet the 40-day deadline for a certification determination	185
Technical costs to develop procedures required by statute to notify agricultural commodity producers of benefit allowances, training, and services	115
Cost to develop educational material on program benefits	300
Cost to develop technical expertise to advise petitioner on alternative crops	5
Cost to a review process and system to process application for cash benefits	555
Cost to develop a system to crosscheck other USDA entitlement programs	1,200
TOTAL COST	2,360

15. Reasons for program changes or adjustments in item 13/14 of OMB form 83-1.

Due to a program change, Form FSA-232 increased the annual number of respondents by 250 and the number of corresponding burden hours for this form by 50. In spite of this, the total number of burden hours decreased from 14,000 to 8,371 due to an erroneous bookkeeping adjustment.

16. Plans for tabulation and publication of the information collection.

There are no plans for tabulation and publication.

17. Reasons for seeking approval not to display the expiration date.

There is no request.

18. Explain exceptions to the certification statement in item 19 on OMB form 83-1.

There are no exceptions.