

**2010 SUPPORTING STATEMENT
FOR
7 CFR PART 70, REGULATIONS FOR VOLUNTARY GRADING OF
POULTRY PRODUCTS AND RABBIT PRODUCTS
OMB NO. 0581-0127**

A. Justification

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

Under the authority of the Agricultural Marketing Act of 1946 (60 Stat. 1087-1091, as amended 7 U.S.C. 1621-1627) (AMA), the Department of Agriculture (USDA) established 7 CFR Part 70, Regulations for Voluntary Grading of Poultry Products and Rabbit Products. The regulations provide a voluntary program for grading poultry and rabbits on the basis of U.S. classes, standards, and grades to enable orderly marketing of these agricultural products. This service is made available to respondents who request it and is provided on a user fee-for-service basis. To facilitate this program, a minimal amount of information collection and/or documentation is required using Forms PY-32, PY-33, PY-210-S, PY-210-P and PY-212. The information on these forms is collected only from respondents who elect to utilize this voluntary user fee-for-service.

The information collection requirements in this request are essential to carry out the intent of the AMA, to provide the respondents the type of service they request, and to administer the program.

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 information from respondents is used only by authorized representatives of the USDA (AMS, Poultry Programs' national staff, regional directors and their staffs, Federal-State supervisors and their staffs, and resident Federal-State graders, which include the authorized State agencies). The Agency is the primary user of the information. The secondary user is each authorized State agency which has a cooperative agreement with AMS.

In requesting or applying for service, respondents must provide their name and address and

other relevant information to specify the kind of services they wish. The Agency seeks to minimize burden and only requests the information necessary to efficiently provide requested services.

Plant surveys determine if the respondents' facilities are satisfactory for grading product (70.34), the information is obtained by Agency observations and via non-standardized discussions with respondents or their representatives. To ensure integrity of the USDA grade shield mark, respondents must submit each USDA grademark label proof to the Agency for approval (70.50).

The regulations are designed to provide flexibility by permitting experimentation (70.3) enabling development of new procedures and techniques or technological improvements that increase efficiency. Respondents may request various types of services to meet their needs or approval of alternate processing and grading procedures. Although flexibility is provided, it directly affects the information burden.

(a) **Form PY-32, Application for Service**, is completed and submitted by a respondent when applying for continuous resident grading. Form PY-32 is the basis for a written contract/agreement between the Agency and the respondent for resident service. The Office of the General Counsel requires this contract/agreement before the Agency can provide resident service, can incur the expense of installing resident service, can collect for the cost of voluntary service required by section 203(h) of the AMA, and can take administrative or regulatory action in accordance with the applicable regulations.

(b) **Form PY-33, Application for Specifications Approval**, is completed by respondents when submitting their product specification to USDA for approval. The form is the basis for written contract/agreement between the Agency and the respondent for the Agency to grade or inspect products the respondent purchases according to the respondent's specifications. Examples of respondents using USDA's voluntary acceptance service are: food retail chain stores; restaurant chains; purchasing/marketing associations; export-import companies; State purchasing agencies; and State, county, and city school systems. The Agency assists the respondents in the preparation of their specifications.

(c) **Form PY-210P Poultry Products Grading Certificate and PY-210S, Shell Egg Grading Certificate**. These forms are used to document grading and inspection results in all of Poultry Programs' programs. Respondents verbally advise the grader/inspector of the

commodity lots to be analyzed and the type of grading, inspection, analyses or certification needed. This certificate is receivable in all courts of the United States as prima facie evidence of the truth of the statements therein contained and is extensively used by the poultry industry to facilitate transactions.

(d) **Form PY-212, Retail Quality Program Agreement** is completed and submitted by a respondent when applying for retail quality inspections. Form PY-212 is the basis for a written contract/agreement between the Agency and the respondent for service. The Office of the General Counsel requires this contract/agreement before the Agency can provide service, can incur the expense of installing service, can collect for the cost of voluntary service required by section 203(h) of the AMA, and can take administrative or regulatory action in accordance with the applicable regulations.

Forms PY-32, PY-33, and PY-212 are ongoing active contracts/agreements until canceled or terminated, as applicable, by either party in accordance with the regulations.

Use of these forms reduces the information burden because they eliminate the time-consuming difficulties in obtaining proper wording and information for an agreement that would be needed through correspondence.

Since a respondent may have service under more than one program regulation, Forms PY-32 and PY-33 are designed to be used under all of the Programs' program regulations (7 CFR Parts 56 and 70).

Other forms used under 7 CFR Part 70 include **PY-100, PY-157, and PY-240P and PY-240S** approved under 7 CFR Part 56, voluntary grading of shell eggs (OMB No. 0581-0128); and Form PY-518-1 approved under 7 CFR Part 57, (OMB No. 0581-0113) inspection of eggs. These forms are designed for use under all of the Programs' program regulations and shown on the attached AMS Form 71. These forms are discussed below:

(a) **Form PY-100, Work Schedule Request,--Voluntary Grading Service**, is the basis for written agreement between the Agency and the respondents for the work schedule of grader(s) and/or inspector(s) in plants with resident service. The form provides the basis for regular and overtime hours of service and for the cost of the hours of voluntary service required by section 203(h) of the AMA. A written schedule has proven to have reduced the hours of overtime and regular service needed by a plant and effectively reduced the cost of service to the applicant.

(b) **Form PY-157, Application for License**, is used to document that a USDA or State employee is qualified to perform the duties of a shell egg grader, a poultry grader, or a shell egg surveillance inspector. State employees under cooperative agreements grade or inspect products for USDA. The form is also used to license USDA or State employees who perform laboratory analyses for the Program (chemists, microbiologists, etc.) in plants with resident service. The form is the basis for issuing a license. Form PY-157 is used as proof that an employee is qualified and authorized to investigate and document violations (shell egg surveillance inspector); or to perform the duties of a shell egg grader, a poultry grader, or a laboratory technician; and to issue official certificates as prima facie evidence when challenged by industry or in representing testimony in judicial proceedings, etc.

(c) **Form PY-240P and PY-240S, Grading Volume Report**, is completed each month by a resident grader based on the information provided by plant management. The form is used in plants with resident service to report the volume of poultry or shell eggs handled and graded, in each plant to the Poultry Programs.

(d) **Form PY-518-1, Alleged Violation and Detention Notice**, is completed by Federal and State regulatory inspectors to report and document violations of the Egg Products Inspection Act (7 CFR part 59) and section 203 (h) of the AMA (7 CFR part 56 and 70). Also, this form serves as a record and notice of product detained outside of an official plant due to noncompliance of these Acts. If the information under this request was not collected, the Agency would not be able to provide the voluntary grading program authorized and requested by Congress under the AMA, to provide the types of services requested by industry, to administer the program, to ensure properly grade-labeled poultry and rabbit products, to calculate the cost of the service, or to collect for the cost of furnishing service as required by section 203(h) of the AMA.

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.

Information requirements are minimal and limited to those necessary to provide service, and to assure products are properly graded and grade-labeled. Forms have been simplified and many combined to reduce the burden. These forms require only the company name and address, title and signature of a company official, and an applicable box or space(s) marked or filled in.

Plants are required to designate in writing, those company employee(s) that are authorized to furnish information to the resident grader (70.77(b)(1)). Since the Agency has asked that title(s) of company employees(s) be provided rather than the name of employee(s), the frequency of the burden has almost been eliminated.

Facsimile (FAX) transmissions are limited to those individuals in possession of such equipment. The majority of information is transmitted by phone or postal deliveries.

Currently, Forms PY-32 and PY-33 are available on the internet in pdf file format to be downloaded, copied, and filed. The Agency does not expect Form PY-212 to be available on the internet or electronically as its use by respondents has reduced. Forms PY-210P and PY-210S are prepared by Agency personnel with information provided by the respondents. The Agency will continue to review new technology and use electronic information collection.

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.

The Agency periodically reviews forms and works with the respondents to ensure there is no duplication of information. However, information must be collected from each respondent specifically for their product, plant operation, or product label for their specific purposes or needs. With respect to poultry and poultry product labels, the agency has reduced the reporting burden by allowing respondents to make generic label changes without re-submission.

Where respondents have service in both 7 CFR Part 56, voluntary grading of shell eggs and 7 CFR Part 70, voluntary grading of poultry and rabbits – the agency specifically works to eliminate duplication of burden e.g., application for service (70.31(b)), schedule for grading service (70.18), designated company employee authorized to furnish information to the resident grader (70.77(b)(1)), or request change in hours of resident service (70.18).

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.

Collection of the information requested does not present any additional effort on the part of small businesses or other small entities as the information burden depends upon the types of services the respondent requests and the number and frequency of their requests.

Since the voluntary grading program is designed for any size of business, the information burden increases as the size and complexity of the operation increases. The smaller and less complex operators are subject to smaller burdens. Out of the 372 respondents to this collection, none are considered to be small entities.

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.

The frequency of data collection is due to the needs of the respondents; e.g., request grading certificates or specification acceptance certification (70.91(a)), notify grader of changes needed in hours of service (70.18), request experimentation (70.3) or alternate procedures (70.210(e)), submit new labels for approval (70.50), or request grading service on lot-fee basis (70.31(a)).

Collecting data less frequently would have a negative impact on the services provided to respondents and would not allow for proper identification and grading of poultry and poultry products. The agencies responsiveness to requests for service and the frequency of reporting have evolved to meet the needs of the poultry industry and minimize the reporting burden.

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;

A quarterly reporting requirement would inhibit the Agency's ability to provide grading services for poultry commodities. In order to conduct normal business activity, timely responses on the part of industry and the Agency are vital in meeting consumer demands for these highly perishable products. The collection of information is conducted in a manner consistent with the guidelines in 7 CFR part 70.

The regulations outline specific response times to pending regulatory or administrative

actions of the applicant; e.g., 7 days for a USDA licensed employee to file an appeal why his/her license should not be suspended or revoked; 10 days for applicant's petition of a rejected application for service; and 10 days for applicant to respond to why service should not be withdrawn. In special situations, these response times may be extended. In the case of an appeal grading, the respondent must request the appeal before the product has undergone any material change. This must be done within 1 to 2 days, and in a few instances, up to within 5 days, depending upon the type of product and the reason(s) for the appeal, most appeal requests are verbal.

The Agency requires the exceptions to 5 CFR 1320.6(a) and (b) in order to provide the service requested, the control of improperly labeled products, and to collect for the cost of service.

- **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 not other special circumstances. This collection of information is conducted in a manner consistent with the guidelines in 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 April 5, 2010 in Vol. 75 No. 64 page 17120 announcing its intention to request an extension for and revision of this information collection as required by 5 CFR 1320.8(d). No comments were received in response to the 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 RECORDKEEPING, 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 regulations were developed through rulemaking procedures. When changes are planned, letters of information and proposed rulemaking are sent directly to users of the service, industry trade organization, States, and other interested persons for their comments. Significant issues are first presented to respondents for their comments at industry meetings, through letters

of information, or notices that proposed rulemaking is being considered – any changes to 7 CFR Part 70 are generally minor.

The Agency meets with poultry product trade organizations at least yearly to obtain their views on issues and problems and to exchange information on efficiency and effectiveness of the poultry grading program. Also, the Agency consults these organizations when there are significant program issues or when major changes are proposed in the poultry grading program. Representatives of the national staff or regional staffs meet with the following organizations or participate in their seminars and workshops on chicken or turkey products:

National Turkey Federation
1225 New York Avenue, NW
Suite 400
Washington, DC 20005
202/898-0100
Mr. Joel Brandenberger

Midwest Poultry Federation
108 Marty Drive
Buffalo, MN 55313
763/682-2171
Mr. Steve Olson

National Chicken Council
1015 15th Street, NW
Suite 930
Washington, D.C. 20005-2622
202/296-2622
Mr. George Watts

Delmarva Poultry Industries, Inc.
16686 County Seat Highway
Georgetown, DE 19947-4881
302/856-9037
Mr. Bill Satterfield

Pacific Egg & Poultry Association
1521 I Street
Sacramento, CA 95814
916/441-0801
Ms. Debra Murdock

U.S. Poultry & Egg Association
1530 Cooledge Road
Tucker, GA 30084
770/493-9401
Mr. Don Dalton

Plants with resident service are routinely provided copies of information and materials about service from the Federal-State, regional, or national offices. The supervisory field staff regularly visits with industry during their supervisory travel to obtain respondents' views and exchange information.

These forms of communications--between the Agency and industry and between the Agency and States--have proven to be an invaluable method of exchanging information. It gives the industry and the States the opportunity to express their views and to discuss their problems. It gives the Agency the opportunity to obtain their views, to answer questions, and to solve or resolve problems.

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.

It is Department policy that no employee or official of USDA or State shall use to their advantage, or reveal other than to the authorized representatives of the USDA, any information acquired concerning the business or operations of the respondents or any matter entitled to protection as a trade secret.

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.

No questions of a sensitive nature are included.

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 83.1.**
- PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOUR BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES. THE COST OF CONTRACTING OUT OR PAYING OUTSIDE PARTIES FOR INFORMATION COLLECTION ACTIVITIES SHOULD NOT BE INCLUDED HERE. INSTEAD, THIS COST SHOULD BE INCLUDED IN ITEM 14.**

The number of respondents, frequency of response, and annual burden for each information collection requirement, as well as totals, are shown on the AMS Form 71.

The majority of the estimates and calculations are based on the average yearly number of respondents and responses from 2009-2010 program records, except where there were continuous decreases or increases, or unusual circumstances. In these cases, estimates are projections of what is expected on the average over the next 3 years. Estimated average time for each response is based on program experience and the criteria under 5 CFR 1320.7(b).

The burden under this request is 1861 hours, or 48 hours over the 1,813 hours currently approved. The reasons for this difference are explained in Item 15.

The estimated cost to the respondents is \$43,528.79, this figure is based on the following calculation: 1,861 (total hours of information collection) x \$23.39 (estimated wage of respondents at various levels of management). This hourly wage was obtained from the U.S. Department of Labor Statistic's publication, "National Compensation Survey: Occupational Wages in the United States, June 2008", published August 2009 (Bulletin 2720). This publication can also be found at: <http://www.bls.gov/ncs/ncswage2008.htm>

The estimated time per burden and total hours of burden are shown on the AMS Form 71.

13. PROVIDE AN ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS 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.**

This collection of information did not require the expenditure of start-up/capital costs nor any operation/maintenance costs.

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 voluntary grading program is provided on a user-fee basis with the cost of the program borne by those respondents utilizing the service (section 203(h) of the AMA).

15. EXPLAIN THE REASON FOR ANY PROGRAM CHANGES OR ADJUSTMENTS REPORTED IN ITEMS 13 OR 14 OF THE OMB FORM 83-1.

There have been no changes in the voluntary grading program or services, or in the information collection requirements. However, the 2.62% increase of burden hours (47.47 hours) that is reported from 3.08% more respondents (11 respondents) resulted from a higher level of program participation while minimizing the overall burden to the industry.

The reasons for the changes in burden and for the net of 47.47 hours in total burden from the previous proposal are summarized below: Reason for changes in the burden.

REG. NO. 7 CFR 70	REASON	PREVIOUS BURDEN	NEW BURDEN	DIFFERENCE	TYPE OF CHANGE
.18	Increase in respondents	31.20	32.64	1.44	A
.21	Decrease in respondents	1	0	-1	A
.31(a)	Increase in respondents	2.50	3	0.50	A
.31(b)	Decrease in respondents	10	6.25	-3.75	A
.31(b)	Decrease in respondents	1	0	-1	A
.91(a)&(c)	Increase in respondents	850	900	50	A
100 &102	Increase in respondents	1.92	3.20	1.28	A

A = Adjustment = 47.47

TOTAL = Rounded to 48

There have been no changes in the voluntary grading program or services, or in the information collection requirements.

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.

Information under this request does not employ statistical methods and is not published for statistical use. The information is summarized for internal Program management decision making and the Program's annual progress report, to prepare Agency and Department reports, and to answer congressional requests.

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 requests approval not to display the expiration date for OMB approval of the information collection. This requirement significantly affects voluntary programs by increasing costs to users because otherwise usable forms must be destroyed when the date expires or when the form is revised and redistributed. Such needless cost increases passed on to users of voluntary services are counterproductive to the administration's goals of reducing costs and increasing program efficiency. Additionally, the impact of the expiration date requirement on administrative and regulatory forms for the programs can adversely affect the operation and enforcement of the statutes. Inadvertent use of a form with an expired expiration date poses an opportunity for those looking for any means of disruption to challenge paying for services rendered, the validity of the collection requirement, or legal requirement imposed by regulations or statutes.

18. EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19, "CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS," OF OMB FORM 83-1.

No exceptions are requested to the certification statement identified in item 19 of OMB Form 83-I.

B. Collections of Information Employing Statistical Methods

Statistical methods are not used.