

Supporting Statement – Part A

ORGANIC PRODUCTION SURVEY (OPS)

OMB No. 0535 - 0249

The National Agricultural Statistics Service (NASS) of the United States Department of Agriculture (USDA) requests approval from the Office of Management and Budget (OMB) to conduct an Organic Production Survey (OPS).

The primary objective of NASS is to prepare and issue State and national estimates of crop and livestock production, prices, and disposition as well as economic statistics, farm numbers, land values, on-farm pesticide usage, pest crop management practices, as well as the Census of Agriculture. In 2009, NASS conducted the 2008 Organic Production Survey (OMB # 0535-0249). This was originally designed to be conducted once every five years as a follow-on-survey to the Census of Agriculture. The USDA Risk Management Agency (RMA) has made a formal agreement with NASS to conduct this as an annual survey. The pilot survey year would be 2012 for the reference period of 2011. In 2013 the survey will not be conducted since it will coincide with the Census of Agriculture. The survey will return in 2014 for the reference year 2013. The questionnaire would be similar to what was used in the 2009 survey. Some noticeable changes that would occur in the annual survey include the removal of the organic floriculture and nursery questions and some of the organic production practices questions. In their place we plan to incorporate more commodity specific questions that would be directed at different commodities each year. In the pilot year we plan to target organically grown apples and grapes. Each year as new target commodities are selected for this survey an update will be submitted to OMB containing the non-substantive changes.

The census-based survey will include all known farm operators who produce organically certified crops and/or livestock. The survey will be conducted in all 50 States. Some operational level data will be collected to use in classifying each operation for summary purposes. The majority of the questions will involve production data (acres planted, acres harvested, quantity harvested, quantity sold, value of sale, etc.), and marketing practices. The pilot survey reference date will be the calendar year 2011.

The results of the 2008 Census of Organic Production Survey showed that the organic farmers in the United States generated over \$3.16 billion in sales in 2008. The average organic producer had sales of \$217,675 with average expenses of \$171,978. The 2007 Census of Agriculture showed that the average sales for all farmers, was \$134,807 with average expenses of \$109,359.

Operations will be contacted by mail in mid December, with a second mailing in mid January to non-respondents. Telephone and personal enumeration will be used for remaining non-response follow up. The NASS will publish summaries in August 2012 at both the State level and for each major organic commodity when possible. Some State level data may need to be published on regional or national level due to confidentiality rules.

SECTION A. JUSTIFICATION

- 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 primary functions of the National Agricultural Statistics Service (NASS) are to prepare and issue State and national estimates of crop and livestock production, disposition, and prices and to collect information on related environmental and economic factors, whole farm characteristics, and operator demographics. Timely, reliable, and detailed statistics help maintain a stable economic atmosphere and reduce risk for production, marketing, and distribution operations.

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

The 2011 Organic Production Survey (OPS) will be a follow-up survey to the 2008 Organic Production Survey, which was done as a follow on census to the 2007 Census of Agriculture. The 2011 survey is being conducted in a cooperative agreement with the Risk Management Agency (RMA). The information is vital to RMA in determining insurance payments to certified organic farmers. Further, under the 2008 Farm Bill (Public Law 110-246, Section 12023, Part D) some of the duties of the Federal Crop Insurance Corporation (FCIC) are defined as "(i) IN GENERAL.—The Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report on progress made in developing and improving Federal crop insurance for organic crops, including - "(I) the numbers and varieties of organic crops insured; "(II) the development of new insurance approaches; and "(III) the progress of implementing the initiatives required under this paragraph, including the rate at which additional price elections are adopted for organic crops.

Although the Organics sector is still relatively limited when compared to the total U.S. farm production, sales of organic products have been increasing at a rate of 20 percent annually according to the Organic Trade Association. This pace of growth exceeds that of the more traditional, non-organic products.

Food safety and nutrition concerns continue to aid legislators in establishing policies for our Nation's food supply. Accurate measures of non-organic products used to make food have a firm foundation while there is a serious lack of information regarding the Organic sectors contribution to our food supply.

Our nation's consumers are becoming increasingly aware of the impact that quality food has a cornerstone for overall health and quality of life. As more research and studies are conducted there will be a continuing need for an accurate account of what organic production can contribute as a supplement to our overall intake of food products.

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 primary purpose of the Organic Production Survey (OPS) is to provide acreage, production, and sales data for a variety of organic crop and livestock commodities as well as to gather information on organic marketing practices. These data will be provided for certified organic farms in all 50 States. National and State estimates (where publishable) will be set for all items that are collected on the form. Attempts will be made to evaluate overall contribution the organics industry has in the agricultural sector.

Producers, universities, legislators, farm businesses, etc. are in need of organic production and economic data in order to make various important marketing and business decisions. The production of organic commodities can be a very profitable alternative for America's farmers and ranchers, especially in these tough economic times and the information gathered will help in the continued orderly development of this expanding agricultural industry.

NASS plans on collecting the following certified organic information: acreage in production, field crops, vegetables, fruits, tree nuts and berries, livestock, poultry and livestock products, and marketing practices.

As part of the Organic Farming Initiatives, the data will be used to provide solid production and market data about the supply of key organic commodities." Presently, conventional farmers have access to various types of USDA data for non-organic commodities, while there is no long term, comparable data available for organic producers.

Confidentiality of individual operation data will be maintained (Title 7, Chapter 55, Section 2276). Proper disclosure will also be maintained during publication. Once published the final report will be distributed and made readily available in both hard copy and electronic mediums, including on the USDA\NASS website.

Our universe of certified organic farmers and ranchers will be given various means of providing us with their data; they can return their questionnaire via mail, or use our web-based (EDR) method. We will also conduct a telephone or personal enumeration for non-respondents.

These data will be used to enhance programs like the Environmental Quality Incentives Program, by providing accurate, detailed data for agricultural products, produced using organic practices. Data will provide valuable information regarding the potential expansion of the Market Access Program to allow for more organic agricultural exports. The Federal Crop Insurance Corporation (FCIC) will use these data to provide better insurance coverage for organic crops.

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.

NASS will use an Electronic Data Reporting (EDR) instrument for soliciting responses to the 2011 OPS. The 2008 OPS achieved an 8% online response rate. With the use of additional publicity materials, NASS is hoping to extend this response rate. While the 2008 OPS was a mandatory survey and the 2011 OPS is a voluntary survey, we are still optimistic that we can achieve this level of online responses.

Follow-up telephone interviews and a limited number of face-to-face interviews will be used for data collection of non-respondent cases. NASS will utilize survey management and methodology information technology to target operations that have a higher probability of producing organic products.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

NASS' Organic Production Survey (OPS) is expected to produce reliable data, that is both current and on a national scale. Through meetings and contacts with other agencies, we have determined that only a few State organic surveys have been conducted in recent years, while only two surveys were done on a national scale. The first national scale survey was conducted in 2004 and had a very low response rate. The second was conducted by NASS in 2009 for the reference period 2008. The OPS will be much more comprehensive than any previous efforts performed by any other organization. Finally, OPS will be comprised of respondents who are identified as Certified Organic Producers by AMS.

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.

A listing of certified organic producers from the Agricultural Marketing Service (AMS) will be merged with NASS' list frame to create the sample master.

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 the 2007 Census of Agriculture's Total Value of Sales question, 93 percent of farmers producing organic products 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. The estimated breakout of our sample size can be found in the following table.

New Organic Census Sample Breakdown		
Total Value of Sales	Number of Operations	Percentage
\$99,999 or Less	6,310	42.06%
\$100,000 - \$249,000	3,667	24.45%
\$250,000 - \$499,999	2,390	15.93%
\$500,000 - \$749,000	809	5.40%
\$750,000 - \$999,999	444	2.96%
\$1,000,000 or more	1,380	9.20%
Totals	15,000	100.00%
Operations with less than \$750,000 in Sales - 13,176 or 88 percent of total sample.		

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.**

Under the 2008 Farm Bill (Public Law 110-246, Section 12023, Part D) some of the duties of the Federal Crop Insurance Corporation (FCIC) are defined as “(i) IN GENERAL.—The Corporation shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report on progress made in developing and improving Federal crop insurance for organic crops, including - “(I) the numbers and varieties of organic crops insured; “(II) the development of new insurance approaches; and “(III) the progress of implementing the initiatives required under this paragraph, including the rate at which additional price elections are adopted for organic crops.

Without this collection of information (or the collection of this information less frequently) the agency would not be able to complete the tasks as assigned by the 2008 Farm Bill.

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;**

There are no special circumstances associated with this information collection.

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 Notice soliciting comments was published in the Federal Register on February 7, 2011 on pages 6599 - 6600. Five public comments were received. The comments are attached to this docket along with any responses that were made.

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 Advisory Committee on Agriculture Statistics reviews all of the Census of Agriculture programs and provides recommendations on content, forms design, methodology, outreach, publications, etc. The Committee, appointed by the Secretary of Agriculture, consists of 25 members representing a broad range of interests, including agricultural economists, rural sociologists, farm policy analysts, educators, State agriculture representatives, agriculture-related business and marketing experts, and members of major farm organizations. The committee meets once or twice a year but frequent communication with the members is maintained; the most recent meeting was in February 2011.

Extensive correspondence, discussions, and meetings took place during the last few months of 2010 and the first few months of 2011 with numerous representatives from ERS, RMA, and AMS regarding previous organic data collection efforts, current national organic production data availability as well as questionnaire content and development. These individuals included: David Zanoni (Agricultural Economist, Prices Specialist, RMA) 816-926-6142, Catherine Greene (Senior Economist, ERS) 202-694-5541, Mark Lipson (Organic and Sustainable Agriculture Policy Advisor, OSEC-MRP) 202-260-3990, Jill Auburn (Senior Advisor for Sustainability, Office of Chief Scientist and REE Under Secretary, OSEC) 202-690-2022, Betsy Rakola (Grants Management Specialist, AMS – National Organic Program) 202-720-0081, Debra Tropp (Chief, Farmers Market and Direct Marketing Research Branch, AMS) 202-720-8326, Adam Diamond (Agricultural Marketing Specialist, AMS) 202-720-8426, and Sarah Johnston (New York State Department of Agriculture and Markets) 518-457-4531

NASS will conduct content testing on fewer than 9 producers in an effort to improve response and accuracy of data reported. The number of test cases will be limited but extensive in their scope of production of organic commodities. Furthermore, NASS will solicit input from other agencies and organic associations to develop questions that will be useful to the industry in regards to operation practices, marketing, and demographics.

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 kept confidential. U.S. Code Title 18, Section 1905 and U.S. Code Title 7, Section 2276 provide for the confidentiality of 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.

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

No questions of a sensitive nature are anticipated in work conducted under this clearance.

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. 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. Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.

The time required to complete the 2008 Organic Production Survey questionnaire is expected to average 30 minutes per respondent. Time will vary since operations differ in size, scope of production, and practices utilized. Total number of positive responses is estimated to be 12,560, which is based on using an estimated annual sample size of 15,000 with an estimated response rate of 80 percent. The target population consists of certified organic producers. Response burden hours are shown in the table below. The initial mailings will contain the questionnaire, a cover letter, an Industry Testimonial letter, a Fact Sheet, and an Electronic Data Reporting (EDR) mail Instruction sheet. For non-respondents, the follow up mailing will contain another copy of the questionnaire and a cover letter. There will be phone follow up for those who do not respond to the mail requests or via EDR.

Survey	QID	Sample Size	Freq 3/	Responses				Non-response				Total Burden Hours
				Resp. Count	Freq x Count	Min./ Resp.	Burden Hours	Nonresp Count	Freq x Count	Min./ Nonr.	Burden Hours	
Questionnaires												
Organic Production Survey 1st Mailing		15,000	0.67	4,500	3,015	30	1,508	10,500	7,035	2	235	1,743
Organic Production Survey 2nd Mailing		10,500	0.67	2,100	1,407	30	704	8,400	5,628	2	188	892
Organic Production Survey Follow-Up Enumeration		8,400	0.67	5,460	3,658	30	1,829	2,940	1,970	2	66	1,895
Total		15,000		12,060	8,080		4,041	21,840	14,633		489	4,530
Publicity Materials for ALL surveys												
Initial Mail Out Letter ^{1/2/} ₋	n/a	15,000	0.67	4,500	3,015	10	503	10,500	7,035	2	235	738
Industry Testimonial Letter ^{1/} ₋	n/a											
Fact Sheet ^{1/} ₋	n/a											
EDR mail Access Instruction Sheet ^{1/} ₋	n/a											
Follow-up Letter ^{2/} ₋	n/a	10,500	0.67	2,100	1,407	10	235	8,400	5,628	2	188	423
Total		15,000		6,600	4,422		738	18,900	12,663		423	1,161
Quality Control Survey (Telephone Only) - Recontact operators to verify quality of NASDA enumerators.												
Quality Control Worksheet OPS (phone only)		500	0.67	500	335	5	28	0	0		0	28
Total		500		500	335		28	0	0		0	28
Totals		15,000		12,560	8,415		4,807	21,840	14,633		912	5,719

1/ The initial mailing consists of the questionnaire, cover letter, industry testimonial, fact sheet and EDR instruction sheet.

2/ The response rate for the: initial mailing is estimated at 30%, the second mailing is estimated at 20%, the phone and field enumeration is estimated at 65%; resulting in an overall response rate of 80%.

3/ During the next three year period the survey is only expected to be conducted twice. It will not be conducted in 2013 due to the Census of Agriculture being conducted that year.

Cost to the public of completing the questionnaire is assumed to be comparable to the hourly rate of those requesting the data. Reporting time of 5,719 hours are multiplied by \$24 per hour for a total cost to the public of \$137,256.

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

There are no capital/startup or ongoing operation/maintenance costs associated with this information collection period.

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 cost to the government for the Organic Production Survey is estimated at \$1,500,000 annually. The approximate cost breakdown is as follows: federal personnel \$1,120,000; NASDA field and phone enumerators \$61,500; and miscellaneous expenses (shipping, handling, printing, postage, travel, etc.) \$318,000.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I (reasons for changes in burden).

The 2008 Organic Production Survey (OPS) was a mandatory survey, conducted as a follow on survey to the 2007 Census of Agriculture. This new request is for a voluntary survey to be conducted annually. The current survey will only be targeting certified organic producers, while the previous collection also included transitional and exempt organic producers. These changes resulted in a reduction of 6,243 burden hours.

The change in cost allocations is due in part to the use of the National Operations Center (NOC). This is a new division of the National Agricultural Statistics Service (NASS). The phone enumerators at this new facility will be Federal employees rather than NASDA employees. This new centralized facility will help to increase the efficiency and accuracy of the data being collected by telephone.

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.

Approximate time schedule for the Organic Production Survey:

	Start	Finish
Questionnaire Design	Jan., 2011	Apr., 2011
Systems Development	Apr., 2011	Nov., 2011
Sample Selection	Aug., 2011	Oct., 2011
Initial Mail-out	Dec., 2011	
Follow-up Mailing	Jan., 2012	
Telephone / Field Follow-up	Feb., 2012	Apr., 2012
Process and Tabulate Data	May, 2012	Jun., 2012

Review, Analysis, and Summary	Jun., 2012	Jul., 2012
Review Tables and Prepare Release	Jul., 2012	Aug., 2012
Publication Date	Aug., 2012	

To aid telephone and field follow-up by enumerators, each enumerator will receive an Enumerator’s Manual. To aid statisticians in the edit and analysis of reported data, Field Offices will receive a Survey Administration Manuals.

Results of the 2008 Organic Production Survey are attaché to this submission.

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.

No approval is requested for 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.

No exceptions to the Certification Statement should be required. If so, OMB approval will be requested in advance of conducting the survey.

May 2011