

Supporting Statement for OMB Approval of the Regulations Governing the
National Inspection and Weighing System
under Authority of the
United States Grain Standards Act
and the Agricultural Marketing Act of 1946
(0580-0013)

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

Congress enacted the United States Grain Standards Acts (USGSA) and the Agricultural Marketing Act (AMA) to facilitate the marketing of grain, oilseeds, pulses, rice, and related commodities. These statutes establish standards and terms that accurately and consistently measure the quality of grain and related products, provide for uniform official inspection and weighing, provide regulatory and official service responsibilities, and furnish the framework for commodity quality improvement incentives to both domestic and foreign buyers. The Department of Agriculture's (USDA) Grain Inspection, Packers and Stockyards Administration (GIPSA) establishes policies, guidelines, and regulations to carry out the objectives of the USGSA and the AMA. The USGSA, AMA, and related regulations can be found at <http://www.gipsa.usda.gov>.

The USGSA, with few exceptions, requires that grain sold for export and grain sold by grade be officially certified. Official services are also provided, upon request, for grain sold domestically. The AMA authorizes similar inspection and weighing services, upon request, for rice, pulses, flour, corn meal, and certain other agricultural products. Conversely, the regulations issued under the USGSA and AMA require that GIPSA collect specific information and keep certain records necessary to carry out requests for official services. Applicants for service must specify the kind and level of service desired, the identification of the product, the location, the amount, and other pertinent information in order that official personnel can efficiently respond to their needs.

Official services under the USGSA are provided by GIPSA field offices and official agencies, which may be classified as delegated or designated agencies. Delegated agencies are State agencies delegated authority under the USGSA to provide official inspection and/or weighing services at export port locations in the State. Designated agencies are State or local governmental agencies, or private agencies designated under the USGSA to provide official inspection and/or weighing services at locations other than export port locations. Official agencies provide services on behalf of GIPSA and must comply with all regulations, procedures, and instructions in accordance with provisions established under the USGSA. GIPSA oversees the performance of these agencies and provides technical guidance as needed.

Official services under the AMA are performed, upon request, on a fee basis for domestic and export shipments either by GIPSA employees, individual contractors, or cooperators. Contractors are persons who enter into a contract with GIPSA to perform specified inspection services. Cooperators are agencies or departments of the Federal government which have an interagency agreement or State agencies which have a reimbursable agreement with GIPSA.

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.

This information is used by USDA employees and State or private agencies authorized to perform official services under the USGSA or AMA.

USGSA and the AMA regulations require that producers, elevators operators, and/or merchandisers who obtain official inspection, testing, and weighing services keep records pertaining to the lot of grain or related commodity for a period of 3 years. In addition, the regulations issued under the USGSA and the AMA require that GIPSA, State, and private personnel who provide official inspection, testing, and weighing services keep such records pertaining to the lot of grain or related commodity for a period of 5 years. This information is used for the purpose of investigating alleged violations of the USGSA and AMA.

See detailed information for information collection activities and forms on Attachment 1: *Purpose of Information Collection and Forms*.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, 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.

GIPSA has completely modernized the delivery of official services through the development of a suite of online applications called *FGISonline* that allows users to submit information and access records electronically. *FGISonline* reduces the time for preparing and submitting forms. In 1995, GIPSA authorized the use of electronic data transmissions in lieu of preparing hardcopy USDA certificates. Customers are now receiving certificates electronically, thereby gaining the ability to use the data more effectively and efficiently. In addition to reducing the burden for submitters, the implementation of *FGISonline* has improved the accuracy of data collection and storage. *FGISonline* stores inspection results, allows customers to complete the necessary application forms for designation and export registration, allows users to enter equipment testing results online, and reduces official agencies' recordkeeping burden. No additional information is required with the *FGISonline* forms.

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

There are ongoing discussions within GIPSA to eliminate duplication and the paperwork burden.

There is no similar information available. The information reported from or maintained by the public involves individual shipments or samples of grain or commodities.

5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

In general, every effort is made to identify the specific information needed to provide timely service with minimal burden to the public. Records are maintained in order to verify the integrity of the inspection and weighing programs.

6. Describe the consequences 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.

GIPSA provides official inspection and weighing services upon a request basis. Therefore, users of these services (producers, grain handlers, exporters, and processors) must request service either verbally or in writing. Without the collection of this information, the public would not be able to obtain official inspection and weighing services.

The USGSA, AMA, and the regulations issued under the USGSA and AMA require that State and private inspection and weighing agencies comply with uniform sampling, inspection, weighing, and certification procedures. State and private agencies are informed of this requirement prior to entering into their agreement with GIPSA. The integrity of the official inspection and weighing certification is jeopardized if State and private agencies are not required to follow these procedures for all inspections. In addition, certificates are issued to transmit the results of inspection and/or weighing services, which facilitates marketing through independent third-party analysis.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with the general information collection guidelines in 5 CFR 1320.5.

USGSA and the AMA regulations require that producers, elevators operators, and/or merchandisers who obtain official inspection, testing, and weighing services keep records pertaining to the lot of grain or related commodity for a period of 3 years. In addition, the regulations issued under the USGSA and the AMA require that GIPSA, State, and private

personnel who provide official inspection, testing, and weighing services keep such records pertaining to the lot of grain or related commodity for a period of 5 years. There are no other special circumstances.

The collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.5.

8. 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 form, and on the data elements to be recorded, disclosed, or reported. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, soliciting comments on the information collection prior to submission to OMB.

The 60-day notice was published in the *Federal Register* on October 1, 2010 (75 FR 60711), soliciting comments on our intent to seek renewal for this collection of information. GIPSA received no comments from the public.

GIPSA meets on a regular basis with representatives which are directly affected by the USGSA, AMA, regulations and directives. These meetings are conducted to discuss program activity and correct or resolve related concerns.

Current representatives of GIPSA's Grain Inspection Advisory Committee:

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In addition to the regular association meetings, GIPSA representatives meet with producer groups (*e.g.*, American Farm Bureau Federation, National Association of Wheat Growers, American Soybean Association, National Corn Growers Association) and trade associations (*e.g.*, North American Export Grain Association, National Grain and Feed Association, National Grain Trade Council, U.S. Wheat Associates, U.S. Feed Grains Council) to discuss official inspection and weighing programs.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No remunerations are made to respondents in this information collection.

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

Documents submitted by the public are only used for official purposes. All public records are maintained and handled in accordance with the Freedom of Information Act and the Privacy Act. There is no additional assurance of confidentiality provided by statute or regulation.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and others that are 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.

This collection of information contains no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.

Number of respondents – 8,610

Frequency of responses vary as set forth in ATTACHMENT 2: “*Spreadsheet*”

Annual burden hours – 158,144

Burden hours were determined by utilizing various program area expertise and respondents’ comment to provide the best estimates of the time to complete forms and maintain records required under the USGSA and AMA regulations that are not otherwise maintained as a matter of normal business accounting or recordkeeping practice.

The cost to the public (\$1,495,526.14) was determined by multiplying the total number of burden hours times wages per hour rate as set forth in ATTACHMENT 3: “*Estimated Annual Cost to Respondents.*”

13. Provide estimates 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 estimates 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.

There are no capital or startup costs nor operations/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 and any other expense that would not have been incurred without this collection of information.

Costs of \$2,362,183.48 were estimated based on a consensus of opinion by experienced personnel who calculated the time and cost factors required to properly analyze and process each response. Step 5 of the General Schedule (GS) hourly rates for the rest of the United States was used in this determination. See ATTACHMENT 4: “*Cost to the Federal Government.*”

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-1.

This is a revision to the currently approved collection. There is an overall decrease of 6,249 burden hours since last submission. The number of official agencies and delegated states decreased during this period, and annual hours decreased due to the automation of recordkeeping using *FGISonline*. See separate spreadsheet for breakout of burden hours.

Although the number of overall respondents has decreased during this period, the net increase of the total annual number of responses has increased by 317,191. There were two major increases in the gross total annual number of responses since the 2007

collection. The overall net increase of 317,191 in the total annual number of responses is attributable to an exponential increase in the number of grain exports since 2007. One was the increase in the number of responses from respondents for applications for inspection and weighing services under the USGSA and the AMA. In 2007, there were 2,671 respondents x 7 responses per respondent = 18,697 annual responses. For this submission, the numbers of respondents remain at 2,671, but the number of responses per respondent has quadrupled to 28 responses per respondent, resulting in 74,788 annual responses. The second is an increase in the number in responses per respondent for work records under the USGSA. Our 2007 collection shows 56 respondents having 14,717 responses for a total of 824,152 annual responses, While there is still 56 respondents submitting work records for this submission, the number has increased to 19,978 responses per respondent for a total of 1,118,768 annual responses.

Divided lot certificates are now issued through the *FGISonline* certificate program. Divided lot statements now appear on their original certificate. The FGIS-909-1, 909-2, and FGIS- 961 are now obsolete.

With the introduction of the *FGISonline* program, the FGIS-932 was discontinued and now all rice submitted sample results are issued on the FGIS-994, Commodity Submitted Sample Inspection Certificate.

16. For collections of information whose results are planned to be published, outline plans for tabulation and publication.

There are no plans to publish information obtained through this collection.

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 OMB expiration date will be displayed on all the forms listed in Attachment 1 except for forms FGIS-905, FGIS-909, FGIS-913, FGIS-914, FGIS-915, FGIS-956, FGIS-960, FGIS-963, FGIS-964, FGIS-993, and FGIS-994.

FGIS-963 is a hardcover log book in which the placement and removal of seals, the results of scale tests, and the occurrence of malfunctions are recorded, with dates, for a specific scale used for official weighing purposes. Each log book is a permanent, historical record which can be used for many years. It would be wasteful of materials and storage space to replace and archive partially-used log books every 3 years because their expiration dates have passed.

FGIS-905, FGIS-909, FGIS-913, FGIS-914, FGIS-915, FGIS-956, FGIS-960, FGIS-964, FGIS-993, and FGIS-994 are certificates. GIPSA is required under the law to issue certificates for weight and quality. Each certificate carries a unique sequence number that is assigned when the form is printed. These sequentially numbered certificates identify

and represent specific lots of grain and cannot be re-used. Placing an expiration date on these certificates would not only require the periodic disposal and replacement of large numbers of unused certificates, but would also require the sequence numbers of these certificates to be voided, creating gaps in the sequences.

18. Explain each exception to the certification statement identified in Item 19 "Certification for Paperwork Reduction Act Submissions" of OMB Form 83-1.

There are no exceptions to the certification statement.