

SUPPORTING STATEMENT

2014 Census of Horticultural Specialties OMB No. 0535-0236

The National Agricultural Statistics Service (NASS) of the United States Department of Agriculture (USDA) requests approval from the Office of Management and Budget (OMB) for the reinstatement of the Census of Horticultural Specialties survey to be conducted as a follow-on survey to the 2012 Census of Agriculture and is authorized by the Food, Conservation, and Energy Act of 2008 (Title X - Horticulture and Organic Agriculture). The Census of Horticultural Specialties was last conducted in 2009 for the reference period of 2008.

All operations that reported horticultural crops on the 2012 Census of Agriculture have been added to the NASS List Frame. The 2014 Census of Horticultural Specialties will use as a sampling universe, all operations that have horticultural control data on the NASS List Frame. Operations with more than \$10,000 in sales will be included in the survey and operations with less than \$10,000 but more than \$1,000 will be sampled. Included in this survey are operations that produced at least one of the following commodities: floriculture and/or bedding crops, nursery crops, sod, propagative materials, hot-house vegetables, Christmas trees, and short rotation woody crops. In addition, NASS also plans to contact all new operations that have begun producing horticultural specialty products since the completion of the 2012 Census of Agriculture. Data collection is expected to begin around January 1, 2015 to collect production and sales data for 2014. A final report will be published around December 2015. Data will be published at both the US and State levels where possible.

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 Census of Horticulture Specialties is one of a series of special study programs that enhances the data collected by the Census of Agriculture. It is designed to provide detailed statistics on the area used for production and sales for eighteen categories of the horticulture industry. The primary objective of the 2014 Census of Horticulture specialties is to obtain a comprehensive and detailed picture of the horticulture sector of the economy. The 2012 Census of Agriculture identified 65,727 operations that produced and sold some horticultural

products, and of that total 36,289 of these operations had sales of \$10,000 or more of horticultural products in 2012. Total horticultural sales from all operations in 2012 were a little over \$14.85 billion. Operations with horticultural sales of at least \$10,000 in 2012 were over \$14.75 billion, or 99.3% of total sales. The Census of Horticultural Specialties is the only source of a comprehensive data series on the horticulture industry for every state.

The Census of Horticultural Specialties has been conducted periodically since 1898 to show how the industry has changed over time. Since 1950 it has been conducted approximately every 10 years. Growing data needs to make policy decisions concerning the horticulture industry have prompted a request from the Secretary of Agriculture and Congress for a 2014 Census of Horticulture. It is the only source of detailed and consistent data on horticultural crop production and sales by type of plant at both State and national levels. The horticultural specialties census includes operations growing and selling \$10,000 or more of horticultural specialty crops. The sampling of small operations with sales between \$1,000 and \$10,000 is used as an indicator of how many small operations have increased their sales since the 2012 Census of Agriculture was conducted.

Although the census of agriculture collects data on eighteen categories of horticultural crops, the various plants that makeup these categories are constantly evolving. Due to the changing makeup of horticulture, more information is needed to: 1) determine how imports affect domestic horticulture production; 2) determine if lessening quarantine regulations will affect domestic horticulture production; and 3) determine value of horticultural crops affected by natural disasters and disease. Horticultural crops are high value crops which farmers could grow to diversify their farming operations, but more information about them is needed. Planning and research on alternative crops is vital to determining which horticultural crops are good to grow in certain areas and the input that would be required to make these operations successful. Horticultural operations are large consumers of pesticides and other chemicals, so research funding is critical to this industry to develop more effective horticultural chemicals or plants that are resistant to common diseases.

The census of horticultural specialties is one of a series of census special studies for the census of agriculture which provides more detailed statistics relating to a specific subject. The census of horticultural specialties is an integral part of the 2012 Census of Agriculture and is conducted under the authority of the Census of Agriculture Act of 1997 (Public Law 105-113). The law requires that the Secretary of Agriculture conduct a census of agriculture in 1998 and every fifth year following 1998.

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 objective of the horticultural specialties census is to obtain a comprehensive and detailed picture of the horticultural sector of the economy. It is the only source of detailed production and sales data at the national level. The continuation of this census will allow for bench marking of changes to the industry.

The census of horticultural specialties will include statistics on number and value of plants grown and sold, the value of land, buildings, machinery and equipment, selected production expenses, marketing channels, hired labor, area used for production, and type of structure.

The census of horticultural specialties provides detailed statistics to government agencies, academia, nursery and floriculture industries, and others on the size and structure of the horticulture industry for planning, policy making, research, and market analysis. Some data users are listed below.

- The Economic Research Service (ERS) of the United States Department of Agriculture (USDA) relies on horticultural specialties data to provide essential data for economic models that analyze the horticultural segment of the agricultural sector.
- The National Agricultural Statistics Service of USDA uses the data to determine which crops will be included in its annual Floriculture Crops Survey.
- Foreign Agricultural Service (FAS) monitors the import and export of all agricultural products. On January 1, 2008 the final provisions of the North American Free Trade Agreement (NAFTA) were fully implemented. The Horticultural Industry is interested in seeing how US production has been impacted by NAFTA.
- Rural Business - Cooperative Service of USDA uses the data to assist horticultural producers interested in organizing cooperatives.
- Animal and Plant Health Inspection Service (APHIS) of USDA uses the data to assist in research into plants identified by quarantine regulations.
- Federal Crop Insurance Corporation of USDA uses the data for product development, budget projections, resource allocation planning, and performance measurement.

- U.S. Environmental Protection Agency uses the data for policy making decisions and to study consumers of pesticides.
- Bureau of Labor Statistics of the U.S. Department of Labor uses the data in calculating a Producer Price Index on horticultural crops. The Census of Horticultural Specialties provides more detailed crop categories than the census of agriculture.
- State water resource agencies will use the data for formulating and assessing the need for new water supplies to accommodate this growing industry.
- Land Grant Universities and Extension Specialists use the data to study production, cost of inputs, and marketing of horticultural crops. Horticulture students use the publication as a major resource in developing their farm or business plans.
- Growers use this information to determine production costs that can improve productivity or demonstrate feasibility of future capital investment.

Without the census of horticultural specialties, government policy makers and planners would lack valuable information needed to accomplish their missions. Instead, they would have to rely on assumptions and guess work to determine policy.

- 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.**

Electronic Data Reporting by web questionnaire will be available on the internet for all respondents to complete. Blank questionnaires will be mailed out to the entire sample with both a return envelope and instructions on how to access the web version of the questionnaire. Non-respondents will be mailed a follow-up reminder that this survey needs to be completed by February 18, 2015. Remaining non-respondents will be interviewed by either phone or by personal visit. Respondents that receive a personal visit will be able to fill out the questionnaire via iPad with a field enumerator.

- 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.**

The Census of Horticultural Specialties is the only source of comprehensive horticultural data tabulated and reported for each State and leading counties within the Nation. The NASS' annual Floriculture Survey collects a small portion of these data in 15 states. To eliminate duplication between the Census of Horticultural Specialties and the annual Commercial Floriculture Survey NASS will combine the survey populations and data will be collected jointly for the production and sales data for 2014. Except for the annual Commercial Floriculture Survey, there are no other sources that duplicate the data provided by the Census of Horticultural Specialties.

Water quality and amount of water used in agriculture are important National issues. Horticultural operations are large users of irrigation water. In 2009, NASS moved the irrigation questions from the Census of Horticulture to the Farm and Ranch Irrigation Survey (0535-0234) to reduce burden and to help reduce any chances of duplication of data.

NASS also removed all questions concerning mushroom production and sales from the Census of Horticultural Specialties survey. This information is collected through Fruits, Nuts and Specialty Crops 0535-0039

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.

The 2014 Census of Horticultural Specialties will include all operations growing and selling \$10,000 or more in horticultural crops. The 1959, 1969, 1979, and 1988 Censuses of Horticultural Specialties included operations growing and selling \$2,000 or more in horticultural specialty crops. In 1998, NASS raised the minimum level of sales to \$10,000. This change in the definition reduced the number of farms eligible for the Census of Horticultural Specialties by about 25 percent.

The 2012 Census of Agriculture indicates that the number of operations with some area in production of at least one horticultural crop to be 65,727. The operations with sales equal to or greater than \$10,000 account for 99.3% of total horticultural sales. Reducing the target population for the census component of the collection to only those operations with sales of \$10,000 or more reduced the number of operations to be contacted by nearly 50%, resulting in a significant reduction in respondent burden and data collection costs. The 2014 Census of Horticulture list frame will be drawn from the NASS List Frame, which contains the data from the 2012 Census of Agriculture, along with operations that have been identified since then from other sources. The Horticulture operator population is any operation that may have horticulture, excluding mushroom and

mushroom spawns. A sample component of the collection would be administered to approximately 4,000 of these operations with sales less than \$10,000, including potential Horticulture operations.

Operations that reported less than \$10,000 in sales on the 2012 Census of Agriculture and who are sampled for the 2014 Census of Horticulture (n=4,000) and now report sales greater than \$10,000 will be included in the summary. Operations that still have sales less than \$10,000 will be out of scope and not included in the summary. The operations that now have sales greater than \$10,000 will have their data expanded to represent other operations that were not in the sample.

Redesigning the questionnaire in response to industry requests, has resulted in a cleaner, easier to follow questionnaire. Individual horticultural producers, who tested the questionnaire for NASS, spoke favorably of the improvements. The improvements to the Census of Horticultural Specialties survey should help to reduce both individual and total respondent burden. Respondents are permitted to provide estimates, if actual record data are not readily available. Common crops have been prelisted in some sections, minimizing the burden of write-in responses. Instructions are placed on each questionnaire and the accompanying Information Sheet which offers clarifying instructions on how to complete specific sections of the questionnaire. A toll free number will be provided for respondents desiring help in completing the questionnaire.

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 Census of Horticultural Specialties survey is a follow-on survey to the Census of Agriculture. The Census of Agriculture is conducted every 5 years and the Census of Horticulture on average has occurred every 10 years since 1959. Federal funding has not permitted the Census of Horticulture to be conducted on the same 5 year cycle as the Census of Agriculture until now. This census is the only source of comprehensive horticultural data tabulated and reported for every State and selected counties (where it is possible) within the Nation. Conducting this program every 10 years is minimal to obtaining any continuity for horticulture statistics. Growing data needs to make policy decisions concerning the horticulture industry have prompted a request from the Secretary of Agriculture and Congress for a 2014 Census of Horticulture.

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

There are no special circumstances associated with this survey.

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 March 17, 2014 on pages 14662 - 14663. One public comment was received. It was from the Bureau of Economic Analysis in support of the docket and the work done by NASS.

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.

The content of the Census of Horticultural Specialties questionnaire was developed through input sought from all NASS Field Offices, USDA subject matter experts, and consultation with various horticultural industry advisors. Industry Advisors consulted on the content for the 2014 Census of Horticultural Specialties include individuals from Purdue University, the University of Maryland, California Cut Flower Commission, Ball Horticultural Company, Society of American Florists, Horticultural Research Institute, American Society of Horticultural Science, and the Bureau of Economic Analysis. Recommendations on the content, form's design, methodology, outreach publications, etc. for all the phases of the 2014 survey were provided.

After the preliminary questionnaire and survey materials were developed NASS conducted fewer than 9 cognitive interviews. As a part of the cognitive testing we asked respondents if there were any concerns or issues that we needed to work on to improve the overall package. The operations that were chosen to participate in this testing represented the different groups of horticultural growers (floriculture, nursery, Christmas trees, sod, cut flowers, etc.) from around the country.

The cognitive interviews pointed out that some of the INCLUDE/EXCLUDE statements in the questionnaire were overlooked. Respondents pointed out a few plant names or terms that were ambiguous and needed clarification. There were a few discrepancies between the screening question on the front page and the subsequent questions in the questionnaire. A few of the column headings were inconsistent for the different plant materials. The operations that had both production workers and retail workers had some difficulty in separating their

number of workers so that they only reported the production workers. Changes have been made to the questionnaire to address these issues.

Overall, respondents felt that the questionnaire was understandable and could be completed without any major difficulties. They did feel that the data from this survey was very important for their industry and they felt that we needed to enhance our publicity materials to increase the response rates.

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.

All questionnaires include a statement that individual reports are kept confidential. The specific Census of Agriculture citation, Title 7 U.S. Code Section 2204g, plus Title 18 Section 1905 and 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. The following CIPSEA Pledge statement will appear on all future NASS questionnaires.

The information you provide will be used for statistical purposes only. In accordance with the Confidential Information Protection provisions of Title V, Subtitle A, Public Law 107-347 and other applicable Federal laws, your responses will be kept confidential and will not be disclosed in identifiable form to anyone other than employees or agents. By law, every employee and agent has taken an oath and is subject to a jail term, a fine, or both if he or she willfully discloses ANY identifiable information about you or your operation.

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

The most sensitive questions on the questionnaire relate to value of sales and expenses.

- 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 2009 Census of Horticultural Specialties questionnaire went through several changes, mainly deletions, and testing. Substantial changes in the layout and flow of the questionnaire were made in response to the cognitive testing conducted in 2008 and recommendations made by industry representatives. The 2014 questionnaire will remain largely unchanged. Much of the current questionnaire's content has not changed substantially from the 1998 Census of Horticultural Specialties.

Cost to the public for completing the questionnaire is assumed to be comparable to the hourly rate of those requesting the data. Average annual reporting time of 52,933 hours, are multiplied by \$25 per hour for a total annual cost to the public of \$1,323,325. NASS regularly checks the Bureau of Labor Statistics' [Occupational Employment Statistics](#). Mean wage rates for bookkeepers, farm managers, and farm supervisors are averaged to obtain the wage for the burden cost. The May, 2013, mean wage for bookkeepers is \$17.91. The mean wage for farm managers is \$35.20. The mean wage for farm supervisors is \$22.09. The mean wage of the three is \$25.07.

2014 - Census of Horticulture - Projected Respondent Burden

Census of Horticulture Survey	Sample Size	Freq	Responses				Non-response			
			Resp. Count	Freq x Count	Min./ Resp.	Burden Hours	Non- resp Count	Freq. x Count	Min./ Non- resp	Burden Hours
First Mailing	41,000	1	16,400	16,400	60	16,400	24,600	24,600	2	820
Second Mailing	24,600	1	9,371	9,371	60	9,371	15,229	15,229	2	508
Follow-up Enumeration	15,229	1	10,309	10,309	60	10,309	4,920	4,920	2	164
Publicity Materials *	41,000	1	36,080	36,080	10	6,013	4,920	4,920	2	164
Instruction Sheets	41,000	1	36,080	36,080	15	9,020	4,920	4,920	2	164
Total	41,000		36,080			51,113	4,920	44,749		1,820

* Pre-survey post card, cover letter, follow-up letter, and EDR instructions

- 13. Provide estimates of the total annual cost burden to respondents or record keepers 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/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 cost to the government for the 2014 Census of Horticultural Specialties is included in the appropriation for the 2012 Census of Agriculture. The total cost of this project is estimated at \$3,500,000. This amount is spent over a three fiscal year period; \$400,000 the year prior to data collection, \$2,700,000 for data collection and processing, and the remaining \$400,000 for publication the year after data collection. The approximate cost breakdown is as follows: federal personnel, \$2,200,000; NASDA field and phone enumeration \$550,000; data processing \$700,000; and printing, training, and other incidental costs \$50,000.

- 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).**

This is a reinstatement of a previously approved survey. It was last conducted in 2010 for the reference period 2009. The sample size for the 2014 survey will be approximately 41,000 with an estimated 52,933 hours of respondent burden.

- 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.**

The 2014 Census of Horticultural Specialties publication will contain approximately 300 pages consisting of an introduction, approximately 40 tables, a summary, and an appendix with a copy of the questionnaire. Data will be published for 50 states and leading counties by commodity, where possible.

We will also be publishing the annual Commercial Floriculture Survey for the fifteen core States from this census.

The web links for the previous publications can be found below.

The 2009 Census of Horticulture Publication can be found at the following website.

http://www.agcensus.usda.gov/Publications/2007/Online_Highlights/Census_of_Horticulture_Specialties/

The annual Commercial Floriculture Survey Publication can be found at the following website.

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1072>

The tri-annual Nursery Production Survey can be found at the following website.

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1115>

Approximate time schedule for the census is as follows:

Initial questionnaire mail out	Dec. 15, 2014
Follow-up mail out for non-response	Feb. 19, 2015
Commercial Floriculture Release Date	June 4, 2015
Census of Horticulture Release Date	Dec. 14, 2015

- 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.

July, 2014
Revised September, 2014