

2014 SUPPORTING STATEMENT
for
National Organic Program (NOP): Organic Certification Cost Share Programs;
Reporting Requirements
OMB NO. 0581-0288

(Regular Request)

NOTE: Upon OMB’s approval of this new information collection for National Organic Program; Organic Certification Cost-Share Programs, we will request to merge this collection into currently approved OMB Control Number 0581-0191 National Organic Program Reporting and Recordkeeping Requirements.

A. Justification.

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

The information collection requirements in this request are needed to implement a portion of the Agriculture Act of 2014 and the Federal Crop Insurance Act which authorize funds for two organic certification cost-share programs: the National Organic Certification Cost-Share Program (NOCCSP) or the Agricultural Management Assistance (AMA) Organic Certification Cost-Share Program. The information collection requirements in this request are applied only to those state agencies and organic producers and handlers who voluntarily participate in one of these programs for Fiscal Years 2014 to 2018.

The NOCCSP is authorized under section 10606(d)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7901 note), as amended by section 10004(c) of the Agriculture Act of 2014 (2014 Farm Bill; Pub. L. 113-79). Section 10606(d) directs the Secretary of Agriculture to “make [funds for the National Organic Certification Cost-

Share Program] available to carry out this section \$11,500,000 for each of fiscal years 2014 through 2018.” Under this authority, USDA is authorized to provide organic certification cost-share assistance through 50 States, the District of Columbia, and five U.S. Territories (herein called “state agencies”). The AMA is authorized under the Federal Crop Insurance Act (FCIA), as amended, (7 U.S.C. 1524). Under the applicable FCIA provisions, USDA is authorized to provide organic certification cost-share assistance through sixteen states: Connecticut, Delaware, Hawaii, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. To prevent duplicate assistance payments, producers participating in the AMA program are not eligible to participate in the producer portion of the NOCCSP.

Each program provides cost-share assistance, through participating state agencies, to organic producers and, in the case of NOCCSP, to organic handlers. Recipients must receive initial certification or continuation of certification to the USDA organic regulations (7 CFR part 205) from a USDA-accredited certifying agent. Reimbursement is currently available at 75 percent of an operation’s certification costs, up to a maximum of \$750 per year. The information collected from these respondents is needed to ensure that program recipients are eligible for funding and comply with applicable program regulations. Data collected is the minimum information necessary to effectively carry out the requirements of each program.

To implement the NOCCSP and AMA, the Agricultural Marketing Service (AMS) reviews applications for financial assistance, mid-year and final reports, advance

payment or reimbursement requests, and financial reports from the state agencies. The state agencies review all producer and handler organic cost share applications and associated paperwork to determine their eligibility for the program and the cost share amount. These programs are executed in accordance with applicable parts of USDA's Uniform Federal Assistance Regulations (7 CFR 3015 et seq); Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (7 CFR 3016 et seq); and Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals, Non-profit Organizations, and For-Profit Organizations (7 CFR 3019 et seq). Until the NOP receives information collection approval from OMB for these programs, we will be unable to disperse organic cost-share funds to program recipients.

- 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.**
 - (a)** SF-424, "Application for Federal Assistance," (approved under OMB collection number 4040-0004) is required to apply for federal assistance. The information will be used by AMS to determine the eligibility for state agencies to participate in these programs. The information can be obtained electronically and is required to be collected electronically through www.grants.gov.
 - (b)** USDA/AMS-33 Face Page (Agreement Face Sheet). The Agreement Face Sheet sets forth the agreed upon responsibilities of AMS project work. It also indicates the agreed upon grant funding dollar amounts and the beginning date and ending

date of the project work and the grant agreement. One copy of this Agreement Face Sheet is required to be returned to AMS with the date and grantee's signature(s).

- (c)** SF-270, "Request for Advance or Reimbursement," (approved under OMB collection number 4040-0012) is required whenever the grantees request an advance or reimbursement of Federal grant funds. The information will be used by AMS to make and keep track of grant advances and disbursements. The information is obtained electronically.
- (d)** SF-425, "Federal Financial Report," (approved under OMB collection number 4040-0014) is required semi-annually to report grantee expenditures. The information will be used by AMS to determine the financial status of the State's grant projects. The information is obtained electronically.
- (e)** The Narrative Report is required annually and describes program activities undertaken by the State agency and/or any sub-recipients throughout the funding period. The following items are addressed:

 - 1. Outreach activities carried out by the State and/or subrecipients, including the methods used to identify potential applicants, means of contact with potential applicants, and outreach materials for distribution, i.e. publications, announcements press releases, etc.;
 - 2. Problems or obstacles related to reimbursement, program administration, outreach, etc. during the reporting period; and
 - 3. Explanation for any denial of requests for reimbursement.

The information can be obtained electronically and will be collected electronically.

- (f) Spreadsheet of Operations Reimbursed is required semi-annually and lists the producers receiving cost-share payments, the total cost of their certification expenses, and the amount paid within the reporting time period. The information can be obtained electronically and will be collected electronically.
- (g) Producers and/or handlers who wish to participate in these organic certification cost-share programs must submit the following to a given state agency once per year: an application, proof of USDA organic certification, an itemized invoice showing expenses paid to a third-party certifying agent for certification services, and a W-9 tax form. State agencies use this information to determine 1) whether the producer or handler is eligible to receive organic certification cost-share funds, and 2) the amount of any cost-share (75% of the costs up to \$750). While some states may accept this information electronically, many producers and handler choose to submit this information hard copy to the state agency.

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.

Standard form (SF) 424 can be obtained and submitted electronically on the <http://www.grants.gov> web site. The SF 270 and SF 425 can be obtained at http://www.whitehouse.gov/omb/grants/grants_forms.html electronically and

submitted electronically. The narrative report and spreadsheet of operations reimbursed can be prepared electronically and submitted electronically. The USDA/AMS-33 Face Page needs an original signature and will be collected by mail.

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.

This program is not maintained by any other Agency; therefore, the requested information will not be available from any other existing records.

5. IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES (ITEM 5 OF THE OMB FORM 83-I), DESCRIBE THE METHODS USED TO MINIMIZE BURDEN.

Fifty-six of the respondents are State departments of agriculture; therefore, we estimate that none are considered small businesses. Providing for electronic submission of portions of grant applications will simplify and lessen the burden on state agencies because they will no longer need to duplicate and submit paper applications. In addition, the information, voluntarily collected from each grant applicant may help provide grant funds to disadvantaged and small farmers and entities within a State.

The remaining 12,000 respondents are organic producers or handlers who are likely small entities. However, the act of collection of information will not have an adverse impact on these entities. The information that producers or handlers provide to participate in either voluntary program should be readily

available with their existing organic certification (e.g., copy of USDA organic certificate) or other business records (e.g., W-9).

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 purpose of these cost share programs is to provide funds to state agencies which in turn help organic producers and handlers defray the costs of their initial and ongoing certification to the National Organic Program (NOP) as authorized by the Organic Foods Production Act (OFPA) of 1990. The 2014 Farm Bill made mandatory outlays for the NOCCSP available for fiscal years 2014 through 2018 in the amount of \$11.5 million per year. States will have to apply to be eligible to receive grant funds for each fiscal year. Without this collection of information, the Agency would not be able to award grant funds to eligible entities and monitor compliance with regulations and administration procedures of the program.

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;**

Respondents are not required to report more than quarterly.

- **REQUIRING RESPONDENTS TO PREPARE A WRITTEN RESPONSE TO A COLLECTION OF INFORMATION IN FEWER THAN 30 DAYS AFTER RECEIPT OF IT;**

Respondents are not required to prepare a written response to a collection

of information fewer than 30 days after receipt.

- **REQUIRING RESPONDENTS TO SUBMIT MORE THAN AN ORIGINAL AND TWO COPIES OF ANY DOCUMENT;**

Respondents are not required 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;**

Respondents are not required to retain any 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;**

The information collected will not be utilized in connection with a statistical survey.

- **REQUIRING THE USE OF A STATISTICAL DATA CLASSIFICATION THAT HAS NOT BEEN REVIEWED AND APPROVED BY OMB;**

There is no requirement for a statistical data classification.

- **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**

No confidential information is collected.

- **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 no other special circumstances. Respondents are not required to submit proprietary trade secrets or other confidential information.

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.

- **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.**

On March 17, 2014, the agency published a notice of request for new information collection and solicited feedback on the collection of information necessary for the National Organic Certification Cost-Share Program (NOCCSP) and the Agricultural Management Assistance (AMA) Organic Certification Cost-

Share Program in the Federal Register, Vol. 78, No. 51, pages 14658-14660.

AMS received 15 comments covering the following topics:

- 1) Nine organic producers from Alabama, North Carolina, and Texas submitted comments requesting the reauthorization of cost share funds and stated that the lack of cost share funding is a significant barrier to initial and/or continued certification.
- 2) Four USDA-accredited certifiers, Midwest Organic Services Association, Minnesota Department of Agriculture, Midwest Organic and Sustainable Education Service, and CCOF submitted comments supporting the reauthorization of cost share funds as well as describing the need for more standardized and streamlined federal-to-state cooperation to improve operations' ability to access cost share reimbursement. These commenters cited several examples of process inefficiencies that result in barriers to operations accessing cost share reimbursement.
- 3) The Minnesota Department of Agriculture also asked that the estimate for preparing the semi-annual Spreadsheet of Operations be increased from 224 hours to between 2,500 and 3,000 hours based on their experience of each applicant's data requiring at least 15 minutes to process and assuming 10,000 to 12,000 operations will participate in the cost share reimbursement program nationwide. Judging from the average number of operations assisted through the National Organic Certification Cost-Share Program in 2012, NOP agrees that increasing the estimate of hours per

response from 2 to 37 hours and the corresponding total annual burden on respondents from 224 to 4,144 hours is a more accurate reflection of the actual burden.

- 4) The National Sustainable Agriculture Coalition (NSAC), an advocacy group, also recommends more standardized federal-to-state cooperation through the adoption of shared procedures, forms and reduction of burden through the institution of an electronic submission system. Both the NSAC and the four USDA accredited certifiers also suggested that cooperative agreements with certifiers would streamline and increase program participation.

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEEES.

There would be no payment or gift rendered to any respondent.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS AND THE BASIS FOR THE ASSURANCE IN STATUTE, REGULATION, OR AGENCY POLICY.

The OFPA § 6515(g) states "that any certifying agent shall maintain strict confidentiality with respect to its clients under the applicable organic certification program and may not disclose to third parties (with the exception of the Secretary or the applicable State Program's governing State official) any business related information concerning such client obtained while implementing this chapter."

Section 205.504(b)(4) of the rule further states that a private certifying agent shall

establish policies for protecting the confidentiality of client records.

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.**

There are no questions being requested that are of a sensitive nature. The information we are seeking is directly related to business activities as they relate to the NOP.

12. **PROVIDE ESTIMATES OF THE HOUR BURDEN OF THE COLLECTION OF INFORMATION.**

Estimates of the hour burden of collection of information have been summarized on the enclosed AMS Form 71.

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.**

The public reporting burden for approximately 56 state agencies (1 response per State, Puerto Rico, District of Columbia, Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands) and 12,000 organic producers and handlers providing a total of 12,504 responses. The frequency of response is typically annually with the exception of providing a semi-annual update on the organic operations that received reimbursement. It is estimated that a total of 16,592 hours per year will be required for these respondents to complete the responses, averaging approximately 1.33 hours per response. The complete public reporting burden is summarized on AMS-71.

- **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.**

- SF-424, “Application for Federal Assistance,” (approved under OMB collection number 4040-0004) – 42 hours.
- USDA/AMS-33 Face Page (Agreement Face Sheet) – 14 hours.
- SF-270, “Request for Advance or Reimbursement,” (approved under OMB collection number 4040-0012) – 112 hours.
- SF-425, “Federal Financial Report,” (approved under OMB collection number 4040-0014) – 168 hours.
- Narrative Report – 112 hours.
- Spreadsheet of Operations Reimbursed – 4144 hours.

- Producer/handler Application, including W-9 form submitted to state agencies – 12,000 hours.

- **PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOUR BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES.**

Estimates for the burden of collecting information have been summarized in the AMS-71. For the state agencies, the respondents' estimated annual cost in providing the information is \$111,769 (rounded). This total was estimated by multiplying the 4,592 burden hours incurred by State Department of Agriculture Organic Program Managers by \$24.34, the 2014 hourly rate for GS-11 employees (Office of Personnel Management https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2014/GS_h.pdf). For the producers and handlers, the respondents' estimated annual costs in providing the information is \$130,800. This total was estimated by multiplying the 12,000 burden hours incurred by producers and handlers by \$10.90, the average median hourly rate for agricultural support staff in crop and livestock production (Bureau of Labor Statistics; NAICS codes 115100 and 115200).

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.**

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. 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 estimated annual cost for AMS to operate these organic cost share programs is (\$300,000) per year. The cost share programs office currently consists of 1 full time GS-11 employee who is responsible for all aspects of the grant program from pre-award to closeout and two part time employees who assist with processing state reports and reimbursement requests and supporting reporting to Congress and others. Outreach is also an important part of program activities to ensure that certified organic operations are aware that funding is available. Grant program oversight and policy management is provided on a part time basis by one GS-15 manager. Administrative support is provided throughout the year on a part time basis by one GS-11 Administrative Office Assistant. The travel budget is for the employees to attend appropriate conferences to support outreach work. The Contracts/Services budget includes training for the employees to keep up-to-date with developments in Federal grants management and for special projects such as website upgrades and attendance of conferences that promote the program. The remaining line items are for administrative expenses and overhead.

Estimated Annual Cost to Federal Government of Operating Organic Cost Share Programs

Salaries/Benefits/Awards	\$240,000
Travel	\$36,000
Contracts/Services	\$4,000
Printing/Copying/Mailing	\$20,000
Total	\$300,000

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

This collection was submitted as an emergency request and approved for 12,742 burden hours. Since that approval, we received a comment from the Minnesota Department of Agriculture requesting that the estimate for preparing the semi-annual Spreadsheet of Operations be increased from 224 hours to between 2,500 and 3,000 hours based on their experience of each applicant's data requiring at least 15 minutes to process and assuming 10,000 to 12,000 operations will participate in the cost share reimbursement program nationwide. Judging from the average number of operations assisted through the National Organic Certification Cost-Share Program in 2012, NOP concurs that this is a more accurate reflection of the actual burden and has thereby increased the estimate of hours per response from 2 to 37 hours and the corresponding total annual burden on respondents from 224 to 4,144 hours, resulting in an overall burden of 16,592 hours.

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.

NOP must submit an annual report to Congress providing a state-by-state overview of: (1) funds used by each state, (2) funds reimbursed to certified organic farms and businesses, and (3) the number of certified organic operations and businesses served.

- 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.**

Each form currently contains an OMB number and an 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.**

The agency is able to certify compliance with all provisions under Item 19 of OMB Form 83-I.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods.