

**12014 SUPPORTING STATEMENT
FOR
7 CFR PARTS 56, and 70
REGULATIONS FOR VOLUNTARY GRADING OF SHELL EGGS, POULTRY
PRODUCTS, AND RABBIT PRODUCTS.
OMB NO. 0581-0128**

Note to Reviewer:

As stated in the Federal Register published on February 25, 2014 we are merging 0581-0127, Regulations for Voluntary Grading of Poultry Products and Rabbit Products, 7 CFR Part 70 approved on 12/26/2013 with 0581-0128, Regulations Governing the Voluntary Grading of Shell Eggs, 7 CFR Part 56. With the merging of these two collections, we are changing the title to Regulations for Voluntary Grading of Shell Eggs, Poultry Products, and Rabbit Products - 7 CFR Part 56 and 70. Both of these collections use some of the same forms, and this merge will prevent duplication of burden and a clearer picture of the total burden for those forms. Upon approval we will submit a Discontinuation Request for 0581-0127.

A. Justification

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

The Agricultural Marketing Act of 1946 (60 Stat. 1087-1091, as amended; 7 U.S.C. § 1621-1627) (AMA), authorizes the Secretary of Agriculture to provide consumers with voluntary Federal grading and certification services that facilitate the marketing of agricultural commodities. The Quality Assessment Division (QAD) provides these services under the authority of 7 CFR Parts 56 and 70. The regulations provide a voluntary program for grading and certification services based on U.S. standards, grades, and weight classes to enable orderly marketing of the corresponding agricultural products. This service is made available to respondents who request it and is provided on a user fee-for-service basis. The Regulations provides provisions for the collection of fees from users of QAD services. To facilitate this program, a minimal amount of information collection and/or documentation is required using Forms PY-32, PY-33, PY-100, PY-157, PY-240P, PY-240S, PY-210P, and PY-

210S. The information on these forms is collected only from respondents who elect to utilize this voluntary user fee-for-service.

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

2. INDICATE HOW, BY WHOM, AND FOR WHAT PURPOSE THE INFORMATION IS TO BE USED. EXCEPT FOR A NEW COLLECTION, INDICATE THE ACTUAL USE THE AGENCY HAS MADE OF THE INFORMATION RECEIVED FROM THE CURRENT COLLECTION.

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

In requesting or applying for service, respondents must provide their name and address and other relevant information to specify the kind of services they wish. The Agency seeks to minimize burden and only requests the information necessary to efficiently provide requested services.

Plant surveys determine whether the facilities are satisfactory for grading product (56.17(b)), the information is obtained by Agency observations and via non-standardized discussions with respondents or their representatives. To ensure integrity of the USDA grade shield mark, respondents must submit each USDA grademark label proof to the Agency for approval (56.35(b)).

Chemical compounds; e.g., cleaning and sanitizing compounds, insecticides, inks, mineral oils, etc., are required to receive approval from USDA before they are used in food processing plants (56.76(h)). This is necessary to determine whether they are satisfactory for use in food processing plants and to control their proper use within the plant; i.e., in non-product areas, where food products are exposed, or in contact with food products. Since there are so many various compounds with numerous and varying uses, the Agency has found no other satisfactory alternative to control adulteration and contamination of food products.

These regulations are designed to provide flexibility by permitting experimentation (56.3(a)) enabling development of new procedures and

techniques or technological improvements that increase efficiency. Respondents may request various types of services to meet their needs or approval of alternate processing and grading procedures. Although flexibility is provided, it directly affects the information burden.

(a) **Form PY-100, Work Schedule Request**, Voluntary Grading Service, is required by the Office of the General Counsel as the basis for written agreement between the Agency and the respondents for the work schedule of grader(s) and/or inspector(s) in plants with resident service. The form provides the basis for regular and overtime hours of service and for the cost of the hours of voluntary service required by section 203(h) of the AMA. This form provides simplicity and eliminates the time-consuming difficulties in obtaining proper wording for an agreement from the applicants that would be needed through correspondence. Based on years of experience, a written schedule has proven to have reduced the hours of overtime and regular service needed by a plant and effectively reduced the cost of service to the applicant.

In addition to 7 CFR Part 56, Form PY-100 is designed for use under Poultry Programs regulations - Regulations Governing the Voluntary Grading of Poultry Products and Rabbit Products. The majority of the respondents (plants) only have service under one program regulation. A few respondents may have service under more than one of the program regulations. In these cases, only one Form PY-100 would need to be submitted to cover the information requirements for all the program services in the plant. Currently, there are no respondents who have both voluntary shell egg and poultry grading services.

(b) **Form PY-157, Application for License**, is used under all Programs regulations (7 CFR Parts 56, 59, and 70) to document that a USDA or State employee is qualified to perform the duties of a commodity grader or a shell egg surveillance inspector. State employees under cooperative agreements grade or inspect products for USDA. The form is also used to license USDA or State employees who perform laboratory analyses for the Livestock, Poultry and Seed Program (chemists, microbiologists, etc.) in plants with resident service. The form is the basis for issuing a license. Form PY-157 is used as proof that an employee is qualified and authorized to investigate and document violations (shell egg surveillance inspector); or to perform the duties of a commodity grader, or a laboratory technician; and to issue official certificates as prima facie evidence when challenged by industry or in representing testimony in judicial proceedings, etc.

After training under USDA-licensed graders or inspectors and USDA supervisors, USDA and State employees can be licensed to grade or inspect one or more products according to the applicable program regulations. A Form PY-157 is used to document that a USDA or State employee is qualified to grade or inspect one or more products according to one or more program regulations. Form PY-157 is a multiple-part form with sections for the employee to provide his or her education or work experience applicable to the position(s), sections for a USDA supervisor to document USDA training and the results of the employee's/supervisor's comparative examination of gradings and/or inspections of products under plant conditions, and sections for USDA approval and license information. State employees who are licensed to grade shell eggs and poultry are supervised by USDA supervisors.

(c) **Form PY-240P and PY-240S, Grading Volume Report**, forms PY-240P, Poultry Grading Volume Report and PY-240S, Shell Egg Grading Volume Report are completed each month by a resident grader based on the information provided by plant management. The data provide LPS Program's administration with volume information for the amount of poultry (PY-240P) or shell eggs (PY-240S) handled and graded in each plant having resident service.

Form PY-240P is designed for use under program regulations 7 CFR part 70, Regulations Governing the Voluntary Grading of Poultry Products and Rabbits Products. Form PY-240S is designed for use under program regulation 7 CFR part 56, Regulation Governing the Voluntary Grading of Shell Eggs.

Information for the contract acceptance section of the form is from the resident grader's own record and is not an information burden on the respondent. The majority of respondents only have service under one of the program regulations and therefore, provide information on either the Form PY-240P or Form PY-240S. Respondents with service under more than one program regulation would need to provide information for both forms. There is no duplication of information on these forms.

In respondents' plants with voluntary shell egg grading or poultry grading service on continuous basis or on as-needed basis, plant management provides information on volume of product once a month. The information is from the plant's routine production records. Using this form, the resident grader calculates administrative charges for continuous resident service based on the volume of shell eggs (56.52(a)(4)) or poultry (70.77(a)(4)) handled.

Volume information is used to calculate and bill for administrative charges in shell egg and poultry plants with continuous resident service

because, as a rule, the larger the volume in a plant, the more complex the operation. Usually, as complexity increases, so does the number of graders needed and the related cost due to the increase in supervisory workload, travel, and other administrative services. In using volume as the basis, the cost to users increases in proportion to increased volume. Since the total volume for all plants is an invaluable management tool for calculating the cost-per-unit graded, volume and cost-per-unit offset competitive effects and have been found to be a fair basis for administrative charges. Volume is not used for calculating the administrative charges for resident service on as-needed basis because of the numerous variables associated with providing this type of service. Voluntary service is paid for by the user (user-fee).

Plant management is asked to review the information and the calculations for the administrative charges (voluntary grading of shell eggs or poultry or rabbits) on Forms PY-240P and PY-240S, as applicable, and to sign the form. The volume of products graded or inspected under the voluntary programs is used in preparing internal Agency and Department management reports.

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

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

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

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

Another form used under 7 CFR part 56 and 70 is **Form PY-518-1** shown in the attached AMS Form 71 is designed for use under these and the other Program regulations. The form is discussed below:

Form PY-518-1, Alleged Violation and Detention Notice (currently approved under OMB# 0581-0113) is used to report and document alleged violations of the Egg Products Inspection Act (7 CFR Part 57) and section 203(h) of the AMA (7 CFR Parts 56 and 70). The form also serves as a record and notice of product detained outside of a plant due to noncompliance with these Acts. Form PY-518-1 is completed by USDA or State regulatory inspectors and USDA supervisors based on facts and opinions obtained through direct observations during inspections and non-standardized oral discussions with management of the firms in connection with these direct observations. Information collected under this request enables the Agency to provide the voluntary grading service as authorized and requested by Congress under the AMA, to provide the types of services requested by industry, to administer the program, to ensure properly grade-labeled products, to calculate the cost of the service, and to collect for the cost of furnishing service as required by section 203(h) of the AMA.

3. DESCRIBE WHETHER, AND TO WHAT EXTENT, THE COLLECTION OF INFORMATION INVOLVES THE USE OF AUTOMATED, ELECTRONIC, MECHANICAL, OR OTHER TECHNOLOGICAL COLLECTION TECHNIQUES OR OTHER FORMS OF INFORMATION TECHNOLOGY, E.G. PERMITTING ELECTRONIC SUBMISSION OF RESPONSES, AND THE BASIS FOR THE DECISION FOR ADOPTING THIS MEANS OF COLLECTION. ALSO DESCRIBE ANY CONSIDERATION OF USING INFORMATION TECHNOLOGY TO REDUCE BURDEN.

To facilitate providing service, the QAD allows applicants to facsimile transmit completed and signed application forms into field offices. Once the completed forms are received, services may be provided. However, due to the legal requirements associated with the forms, it is still necessary to have

copies with original signatures. Therefore, applicants must follow-up the facsimile transmission by mailing the original application to the field office.

AMS is committed to complying with the e-Government Act, which requires Government agencies, in general, to provide the public the option of submitting information or transacting business electronically to the maximum extent possible. The QAD is working to meet the legal requirements for accepting digital signatures. When those requirements are met, the QAD will accept electronic application forms.

Forms PY-100, PY-157, PY-240P, and PY-240S are available electronically but are only filled out and printed off by Agency personnel. Agency personnel obtain facts or opinions through direct observations and non-standardized oral communications with plant management in connection with these direct observations to complete the form. Forms PY-32 and PY-33 are available on the internet in pdf file format to be downloaded, copied, and filed. Forms PY-210P and PY-210S are prepared by Agency personnel with information provided by the respondents. The Agency will continue to review new technology and use electronic information collection.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION. SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSE(S) DESCRIBED IN ITEM 2 ABOVE.

The Agency periodically reviews forms and works with the respondents to ensure there is no duplication of information. The information must be obtained from each respondent specifically for their product, plant operation, product label, or chemical compound for their specific purposes or needs.

The regulations in this request reference and apply appropriate requirements of the Federal Food, Drug, and Cosmetic Act; the Fair Packaging and Labeling Act; and the regulations promulgated under these two Acts. To prevent duplications on respondents, the regulations in this request require products to be labeled in accordance with these two Acts.

Any information burden incurred under one program would fulfill the information needs of the other programs. In these cases, there would be no additional information needed or burden for the other programs.

States and the Agency require that water used in food processing plants be potable (56.76(f)(6)). The frequency of testing required by the States is equal to or greater than the frequency required by the Agency (annually for municipal sources and semiannually for private wells). Because the majority of

the States perform the test at no cost to respondents and the respondents provide the Agency a copy of the results, the burden for 56.76(f)(6) on the attached AMS Form 71 is reflected primarily as a reporting burden. The Agency's requirement for iron analysis is also included in this burden (when the plant is initially approved for resident service and whenever the source of water changes).

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.

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

Since the voluntary grading program is designed for any size of business, the information burden increases as the size and complexity of the operation increases. The smaller and less complex operators are subject to smaller burdens.

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 (first handlers and importers) as those having annual receipts of no more than \$6.5 million. We currently have 1,348 respondents for these information collections and under this definition we estimate that 49 are considered small businesses.

6. DESCRIBE THE CONSEQUENCE TO FEDERAL PROGRAM OR POLICY ACTIVITIES IF THE COLLECTION IS NOT CONDUCTED OR IS CONDUCTED LESS FREQUENTLY, AS WELL AS ANY TECHNICAL OR LEGAL OBSTACLES TO REDUCING BURDEN.

The frequency of data collection is due to the needs of respondents; e.g., request grading on a lot-fee basis (56.21(a)), request specification acceptance certification or grading certificates (56.56(a)), submit new labels for approval (56.35(b)), request approval of a new chemical compounds (56.76(h)), request changes in hours of service (56.18), or request the service of a resident grader on as-needed basis (56.21(a)). Collecting data less frequently would have a

negative impact on the services provided to respondents.

The Agencies responsiveness to requests for service and the frequency of reporting have evolved to meet the needs of the industries while minimizing the reporting burden.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES THAT WOULD CAUSE AN INFORMATION COLLECTION TO BE CONDUCTED IN A MANNER:

-REQUIRING RESPONDENTS TO REPORT INFORMATION TO THE AGENCY MORE OFTEN THAN QUARTERLY;

A quarterly reporting requirement would inhibit the Agency's ability to provide grading services for commodities. In order to conduct normal business activity, timely responses on the part of industry and the Agency are vital in meeting consumer demands for these highly perishable products. The collection of information is conducted in a manner consistent with the guidelines in 7 CFR parts 56 and 70.

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

The Agency requires the exceptions to 5 CFR 1320.5(d)(2)(i) and (ii) in order to provide the service requested; to assure products are processed under sanitary conditions, are properly graded and labeled; to control improperly labeled products; and to collect for the cost of the service.

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

-REQUIRING RESPONDENTS TO SUBMIT MORE THAN AN

ORIGINAL AND TWO COPIES OF ANY DOCUMENT;

-REQUIRING RESPONDENTS TO RETAIN RECORDS, OTHER THAN HEALTH, MEDICAL, GOVERNMENT CONTRACT, GRANT-IN-AID, OR TAX RECORDS FOR MORE THAN 3 YEARS;

-IN CONNECTION WITH A STATISTICAL SURVEY, THAT IS NOT DESIGNED TO PRODUCE VALID AND RELIABLE RESULTS THAT CAN BE GENERALIZED TO THE UNIVERSE OF STUDY;

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

-THAT INCLUDES A PLEDGE OF CONFIDENTIALITY THAT IS NOT SUPPORTED BY AUTHORITY ESTABLISHED IN STATUE OR REGULATION, THAT IS NOT SUPPORTED BY DISCLOSURE AND DATA SECURITY POLICIES THAT ARE CONSISTENT WITH THE PLEDGE, OR WHICH UNNECESSARILY IMPEDES SHARING OF DATA WITH OTHER AGENCIES FOR COMPATIBLE CONFIDENTIAL USE; OR

-REQUIRING RESPONDENTS TO SUBMIT PROPRIETARY TRADE SECRET, OR OTHER CONFIDENTIAL INFORMATION UNLESS THE AGENCY CAN DEMONSTRATE THAT IT HAS INSTITUTED PROCEDURES TO PROTECT THE INFORMATION'S CONFIDENTIALITY TO THE EXTENT PERMITTED BY LAW.

There are no other special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.6.

- 8. IF APPLICABLE, PROVIDE A COPY AND IDENTIFY THE DATE AND PAGE NUMBER OF PUBLICATION IN THE FEDERAL REGISTER OF THE AGENCY'S NOTICE, REQUIRED BY 5 CFR 1320.8(d), SOLICITING COMMENTS ON THE INFORMATION COLLECTION PRIOR TO SUBMISSION TO OMB. SUMMARIZE PUBLIC COMMENTS RECEIVED IN RESPONSE TO THAT NOTICE AND DESCRIBE ACTIONS TAKEN BY THE AGENCY IN RESPONSE TO THESE COMMENTS.**

SPECIFICALLY ADDRESS COMMENTS RECEIVED ON COST AND HOUR BURDEN.

The Agency published a notice in the *Federal Register* on February 25, 2014, Vol. 79, No. 37, page 10468 announcing its intention to request an extension and revision of this information collection and required by 5 CFR 1320.8(d). No comments were received.

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.

When regulatory changes are planned, letters of information and proposed rulemaking are sent directly to users of the service, industry trade organizations, States, and other interested persons for their comments. The Agency meets with shell egg trade organizations at least yearly to obtain their views on issues and problems and to exchange information on efficiency and effectiveness of the grading program. Also, the Agency consults these organizations when there are significant program issues or when major changes are proposed in the program. During the last three years, representatives of the national staff or regional staffs have met, on an as needed basis, with the following organizations or have participated in their seminars and workshops:

United Egg Producers
1720 Windward Concourse, Suite 230

Midwest Poultry Federation
108 Marty Drive

Alpharetta, GA 30005
(770) 360-9220
Mr. Gene Gregory

Buffalo, MN 55313
(763) 682-2171
Mr. Steve Olson

US Poultry & Egg Assoc.
1530 Cooledge Road
Tucker, GA 30084
(770) 493-9401
Mr. Don Dalton

Pacific Egg & Poultry Assoc.
1521 "I" Street
Sacramento, CA 95814
(916) 441-0801
Ms. Debra Murdock

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

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

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

No payments or gifts are provided to respondents.

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

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

11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE, SUCH AS SEXUAL BEHAVIOR AND ATTITUDES,

RELIGIOUS BELIEFS, AND OTHER MATTERS THAT ARE COMMONLY CONSIDERED PRIVATE. THIS JUSTIFICATION SHOULD INCLUDE THE REASONS WHY THE AGENCY CONSIDERS THE QUESTIONS NECESSARY, THE SPECIFIC USES TO BE MADE OF THE INFORMATION, THE EXPLANATION TO BE GIVEN TO PERSONS FROM WHOM THE INFORMATION IS REQUESTED, AND ANY STEPS TO BE TAKEN TO OBTAIN THEIR CONSENT).

Information of a sensitive nature is not collected.

12. PROVIDE ESTIMATES OF THE HOUR BURDEN OF THE COLLECTION OF INFORMATION. THE STATEMENT SHOULD:

INDICATE THE NUMBER OF RESPONDENTS, FREQUENCY OF RESPONSE, ANNUAL HOUR BURDEN, AND AN EXPLANATION OF HOW THE BURDEN WAS ESTIMATED. UNLESS DIRECTED TO DO SO, AGENCIES SHOULD NOT CONDUCT SPECIAL SURVEYS TO OBTAIN INFORMATION ON WHICH TO BASE HOUR BURDEN ESTIMATES. CONSULTATION WITH A SAMPLE (FEWER THAN 10) OF POTENTIAL RESPONDENTS IS DESIRABLE. IF THE HOUR BURDEN ON RESPONDENTS IS EXPECTED TO VARY WIDELY BECAUSE OF DIFFERENCE IN ACTIVITY, SIZE, OR COMPLEXITY, SHOW THE RANGE OF ESTIMATED HOUR BURDEN AND EXPLAIN THE REASONS FOR THE VARIANCE. GENERALLY, ESTIMATES SHOULD NOT INCLUDE BURDEN HOURS FOR CUSTOMARY AND USUAL BUSINESS PRACTICES.

IF THIS REQUEST FOR APPROVAL COVERS MORE THAN ONE FORM, PROVIDE SEPARATE HOUR BURDEN ESTIMATES FOR EACH FORM AND AGGREGATE THE HOUR BURDENS IN ITEM 13 OF OMB FORM 83-I.

PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOUR BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES. THE COST OF CONTRACTING OUT OR PAYING OUTSIDE PARTIES FOR INFORMATION

COLLECTION ACTIVITIES SHOULD NOT BE INCLUDED HERE. INSTEAD, THIS COST SHOULD BE INCLUDED IN ITEM 14.

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

The majority of the estimates and calculations are based on the average yearly number of respondents and responses from FY 2013 program records, except where there were continuous decreases or increases, or there were unusual circumstances. In these cases, estimates are projections of what is expected on the average over the next 3 years. Estimated average time for each response is based on program experience.

The respondents' estimated annual cost of providing information is \$241,879.554. This total has been estimated by multiplying 7,259.29 total burden hours by \$33.32 (median wage for Farmers, Ranchers, and Other Agricultural Managers). This hourly wage was obtained from the U.S. Department of Labor, Bureau of Labor Statistics, Occupational Outlook Handbook, May 2012. This publication can be found at:

<http://www.bls.gov/ooh/management/farmers-ranchers-and-other-agricultural-managers.htm> .

13. PROVIDE AN ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS RESULTING FROM THE COLLECTION OF INFORMATION. (DO NOT INCLUDE THE COST OF ANY HOUR BURDEN SHOWN IN ITEMS 12 AND 14).

THE COST ESTIMATE SHOULD BE SPLIT INTO TWO COMPONENTS: (a) A TOTAL CAPITAL AND START-UP COST COMPONENT (ANNUALIZED OVER ITS EXPECTED USEFUL LIFE); AND (b) A TOTAL OPERATION AND MAINTENANCE AND PURCHASE OF SERVICES COMPONENT. THE ESTIMATES SHOULD TAKE INTO ACCOUNT COSTS ASSOCIATED WITH GENERATING, MAINTAINING, AND DISCLOSING OR PROVIDING THE INFORMATION. INCLUDE DESCRIPTIONS OF METHODS USED TO ESTIMATE MAJOR COST FACTORS INCLUDING SYSTEM AND TECHNOLOGY ACQUISITION, EXPECTED USEFUL LIFE OF CAPITAL EQUIPMENT, THE DISCOUNT RATE(S), AND THE TIME PERIOD OVER WHICH

COSTS WILL BE INCURRED. CAPITAL AND START-UP COSTS INCLUDE, AMONG OTHER ITEMS, PREPARATIONS FOR COLLECTING INFORMATION SUCH AS PURCHASING COMPUTERS AND SOFTWARE; MONITORING, SAMPLING, DRILLING AND TESTING EQUIPMENT; AND RECORD STORAGE FACILITIES.

-IF COST ESTIMATES ARE EXPECTED TO VARY WIDELY, AGENCIES SHOULD PRESENT RANGES OF COST BURDENS AND EXPLAIN THE REASONS FOR THE VARIANCE. THE COST OF PURCHASING OR CONTRACTING OUT INFORMATION COLLECTION SERVICES SHOULD BE A PART OF THIS COST BURDEN ESTIMATE. IN DEVELOPING COST BURDEN ESTIMATES, AGENCIES MAY CONSULT WITH A SAMPLE OF RESPONDENTS (FEWER THAN 10), UTILIZE THE 60-DAY PRE-OMB SUBMISSION PUBLIC COMMENT PROCESS AND USE EXISTING ECONOMIC OR REGULATORY IMPACT ANALYSIS ASSOCIATED WITH THE RULEMAKING CONTAINING THE INFORMATION COLLECTION, AS APPROPRIATE.

-GENERALLY, ESTIMATES SHOULD NOT INCLUDE PURCHASES OF EQUIPMENT OR SERVICES, OR PORTIONS THEREOF, MADE: (1) PRIOR TO OCTOBER 1, 1995, (2) TO ACHIEVE REGULATORY COMPLIANCE WITH REQUIREMENTS NOT ASSOCIATED WITH THE INFORMATION COLLECTION, (3) FOR REASONS OTHER THAN TO PROVIDE INFORMATION OR KEEPING RECORDS FOR THE GOVERNMENT, OR (4) AS PART OF CUSTOMARY AND USUAL BUSINESS OR PRIVATE PRACTICES.

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

- 14. PROVIDE ESTIMATES OF ANNUALIZED COST TO THE FEDERAL GOVERNMENT. ALSO, PROVIDE A DESCRIPTION OF THE METHOD USED TO ESTIMATE COST, WHICH SHOULD INCLUDE QUANTIFICATION OF HOURS, OPERATION EXPENSES (SUCH AS EQUIPMENT, OVERHEAD, PRINTING, AND SUPPORT STAFF), AND**

ANY OTHER EXPENSE THAT WOULD NOT HAVE BEEN INCURRED WITHOUT THIS COLLECTION OF INFORMATION. AGENCIES ALSO MAY AGGREGATE COST ESTIMATES FROM ITEMS 12, 13, AND 14 IN A SINGLE TABLE.

The voluntary grading program is provided on a user-fee basis with the cost of the program borne by those respondents utilizing the service (section 203(h) of the AMA). Therefore, this collection package represents no cost to the Federal Government.

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

There have been no changes in the voluntary grading program or services, or in the information collection requirements (7 CFR Part 56). However, due to the merging of information collection 0581-0127 into information collection 0581-0128, the addition of 2,005 hours in burden is being incorporated. Summarized below is the burden from 0581-0127, 7 CFR Part 70:

REG. NO. 7 CFR 70	REASON: (Merge)	PREVIOUS BURDEN	NEW BURDEN	DIFFERENCE	TYPE OF CHANGE
.3	Request alt. procedures (no form)	0	20	20	PC
.10	Application for spec. approval PY33	0	15	15	PC
.18	Grading schedule PY-100	0	2.40	2.40	PC
.31(a)	Request to establish grading service (no form)	0	3	3	PC
.31(a)	Request service on as-needed basis (no form)	0	192	192	PC
.31(a)	Request to cancel grading service (no form)	0	2.5	2.5	PC
.31(a)	Request service on	0	640	640	PC

	lot-fee basis (no form)				
.31(b)	Application for Service PY-32	0	5	5	PC
.33	Proof of applicant's authority (no form)	0	.5	.5	PC
.34	Plant survey (No Form)	0	7.5	7.5	PC
.35	Reconsideration of service rejection (No Form)	0	2	2	PC
.36	Withdraw application (No Form)	0	.33	.33	PC
.38(c)	Request hearing (No Form)	0	2	2	PC
.50	Labeling w/USDA grademark for approval (No Form)	0	212.50	212.50	PC
.76(b)(1)	Company delegate (No Form)	0	.2	.2	PC
.76(b)(3)(ii)	Notice to terminate cont. service (No Form)	0	1.25	1.25	PC
.77(b)(1)	Company delegate (No Form)	0	3	3	PC
.77(b)(3)(ii)	Notice to terminate cont. service (No Form)	0	2.5	2.5	PC
.91(a)&(c)	Grading Certificates PY-210P & S	0	892.50	892.50	PC
100 & 102	Request for an appeal grading (No Form)	0	.16	.16	PC
.210(e)	Request for approval of unique PY cuts (No Form)	0	.25	.25	PC
.310(e)	Request for approval of unique	0	.5	.5	PC

	Rabbit cuts (No Form)				
TOTAL		0	2005.09	2005.09	

16. FOR COLLECTIONS OF INFORMATION WHOSE RESULTS WILL BE PUBLISHED, OUTLINE PLANS FOR TABULATION, AND PUBLICATION. ADDRESS ANY COMPLEX ANALYTICAL TECHNIQUES THAT WILL BE USED. PROVIDE THE TIME SCHEDULE FOR THE ENTIRE PROJECT, INCLUDING BEGINNING AND ENDING DATES OF THE COLLECTION OF INFORMATION, COMPLETION OF REPORT, PUBLICATION DATES, AND OTHER ACTIONS.

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

17. IF SEEKING APPROVAL TO NOT DISPLAY THE EXPIRATION DATE FOR OMB APPROVAL OF THE INFORMATION COLLECTION, EXPLAIN THE REASONS THAT DISPLAY WOULD BE INAPPROPRIATE.

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

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

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

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used with this collection.