

UNITED STATES DEPARTMENT OF AGRICULTURE
Multiple Peril Crop Insurance
OMB NUMBER: 0563-0053

PURPOSE:

The purpose for this request to the Office of Management and Budget (OMB) is for renewal approval of Information Collection Burden package 0563-0053. This was previously approved for a three year period. A notice for the request for public comment on information collections related to renewal of information collection package number 0563-0053 was published in the Federal Register on September 25, 2015.

Impact of Notice on Public Information Collection Burden

Due to program changes and 2014 Farm Bill Implementation, FCIC added several data elements resulting in an increase in burden hours. On Feb. 7, 2014, the President signed the Agricultural Act of 2014 (2014 Farm Bill) which continues programs with modifications and authorizes several new programs administered by RMA.

The Farm Bill strengthens crop insurance by providing more risk management options for farmers and ranchers and by making crop insurance more affordable for beginning farmers. It continues the growth of the crop insurance program, and provides avenues to expand farm safety net options for organic producers and specialty crop producers. It provides for increased program integrity, guaranteeing that tax dollars are used effectively and efficiently as FCIC expands the farm safety net.

The information collection burden on the producer is not the same as the information collection burden on the insurance companies. Some of the data elements collected from the individual producer are the same data elements the insurance companies send to FCIC; however, not all data elements apply to each producer in any given year and some of the data elements that apply to the insurance companies do not apply to producers. Specific circumstances determine which data elements apply. The information collection burden for a producer depends on the crops insured, if it is the first year of a continuous insurance policy contract, if there is a loss, if options are elected to the insurance policy, etc. The producer may have a larger information collection burden the first year by applying for insurance and completing the acreage report. The following years the producer may only have to report acreage and yield information if there is no loss. In the event of a loss, there is an additional information collection burden on the producer. Producers will report specific information by crop for each crop they insure. The insurance companies will generally always have an information collection burden consisting of all the data elements listed because the data elements will be accumulated from each producer who has an insurance policy with that insurance company. Insurance companies will report data elements to FCIC as specifically required by FCIC and as documented in the [Appendix III/M-13 Handbook](#).

A. JUSTIFICATON

- 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 Federal Crop Insurance Corporation (FCIC) is a wholly-owned Government corporation created February 16, 1938 (7 U.S.C. 1501). The program was amended previously, by Public Law 96-365, dated September 26, 1980, that provided for nationwide expansion of a comprehensive crop insurance program. The Federal Crop Insurance Act (Act), as amended in later years, further expanded the role of the crop insurance program to be the principal risk management safety net used by producers to cover crop losses. The Act further required that the crop insurance program operate on an actuarially sound basis. To meet these goals, existing crop programs must be improved and expanded, new crop products developed, and new insurance concepts studied for possible implementation. Meeting these goals requires the collection of a wide range of information (data elements). These data elements are used in part to determine insurance coverage, premiums, subsidies, payments, and indemnities. It allows for other program and administrative operations. It also creates an information database used to support continued development and improvements in crop insurance products available to producers and which meet the goal of a sound insurance program. The Act was again amended on June 20, 2000, by Public Law 106-224 which mandates changes to crop insurance regulations, provides for independent review of crop insurance products by persons experienced as actuaries and in underwriting, and gives contracting authority for the development of new products.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The collection of information involves producers and insurance companies. Specific information (data) is required to apply for crop insurance, determine program eligibility, report crop information, establish liability, change coverage, determine a loss, etc. Producers must provide records, documents, or other information to the insurance company during an investigation or settlement of a claim. Insurance companies may provide late or prevented planting coverage, or provide coverage under a written agreement when coverage would not otherwise be available, etc. Pertinent information must be collected by the established dates to administer the crop insurance program in an actuarially sound manner.

The information collection requirements for this revised package are necessary for administering the crop insurance program. Insurance companies must obtain enough information so insurability, liability, premium, subsidy, and indemnities can be accurately determined. It is important that insurance agents work closely with producers to collect accurate information since the guarantee, liability, premium, subsidy, and any applicable indemnities are based on this information.

a. What information will be collected – reported or recorded? (If there are pieces of information that are especially burdensome in the collection, a specific explanation should be provided.)

The insurance cycle begins with an approved application. On or before the sales closing date, the producer contacts an insurance agent associated with an insurance company reinsured by FCIC to obtain information about insurance and apply for coverage. The insurance agent describes the types of insurance that are available, levels of coverage, options and other requirements that may be crop-specific. If the producer elects to apply for insurance coverage, the insurance agent will enter the data on the application using input from the producer, the producer then signs the applicable documents. In order to establish the guarantee, the producer must report to the insurance agent actual planted acreage and production for previous crop years by unit, practice, type, and variety, at the time of application. After the year of application, the producer must report to the insurance agent, actual planted acreage and production, by unit, practice, type, and variety for the previous crop year by the earlier of the acreage reporting date or 45 days after the cancellation date, unless otherwise stated in the Special Provisions (SP). This information is used to complete the production and yield report and establish the producer's approved Actual Production History (APH) yield used to determine an insurance guarantee for a covered crop year, unless the producer qualifies for and elects an exception as specified in the specific crop policy. APH yields must be determined by unit and reported for the appropriate unit. If the producer meets the qualifications, unit arrangements may change every year requiring specific information to assure the correct APH yield is reported for a specific type of unit. The APH production base period contains a maximum of 10 years of production history that may be used to establish the approved APH yield. A minimum of 4 years of actual or RMA established yields are required to establish the APH yield. Generally, the production guarantee for each unit is computed by multiplying the percentage of coverage selected by the producer by the approved APH yield for each unit. The production guarantee per acre multiplied by the projected price or price election selected by the producer, as applicable equals the per acre protection. The net protection or insurance liability is determined by multiplying the per acre protection times the insured acres times the producer's share in the crop. Insurance agents must be knowledgeable of the crop policies for each crop they sell and service so they can assist the producer in obtaining insurance and accurately reporting required information. Insurance agents must be certified and receive continuing education each year from the insurance company or a crop insurance service organization. Many crops are insurable by type/variety/practice, some policies have additional options that may be selected, and some policies have distinct exceptions to certain coverage from other policies. Most producers rely on their insurance agents to assist them in timely and accurately reporting all required information.

The producer plants the crop and insurance attaches to the crop upon planting or attaches as stated in the applicable crop provisions. Annual crops must be planted prior to the final planting date specified in the SP or the insurance guarantee will be reduced.

FCIC requires crop acreage information to be submitted to the insurance agent by each producer on or before a specific date listed in the SP. The policies insurance companies sell to producers, codified in the Federal Register at 7 CFR Part 400, contain specific

provisions for the reporting of acreage. The Basic Provisions state specific information (data) the producer must submit on the acreage report. The name of the crop, the number of timely planted acres, late planted acres, acres that were prevented from planting, the number of insurable and uninsurable acres, the producer's share of the crop, date planting is completed, name of person sharing in the crop, APH yield, practice, type, class, or variety, location of the acreage, etc., are entered on the acreage report, as applicable, with each line requiring a unit number. This information is used to determine liability, premium, and subsidy. If the producer does not submit crop information by the acreage reporting date, or if the producer fails to report all units, the insurance company may elect to determine by unit, the insurable crop acreage, share, type and practice, or to deny liability on such units. Program procedures require producers to report acreage information to their insurance agent who transmits it to the insurance company, who in turn transmits it to RMA. A summary of coverage is issued by the insurance company to the producer which shows the amount of the producer's protection and the premium based on the commodity information provided by the producer. Insurance agents generally know the producer's farming operation and location and they assist the producer in reporting the correct data by asking the appropriate questions, referencing plat books and maps, comparing previous information available in the producer's office file folder, etc., to verify that the data is reported correctly.

If the crop sustains an insurable loss, the producer gives notice of a loss to the insurance agent who notifies the insurance company. A loss adjuster will make appropriate inspections and record data pertaining to the crop appraisal when adjusting losses, and to determine the amount of indemnity owed to the producer. The insurance company will issue an indemnity check to the producer, if applicable.

The producer is notified on or before the contract change date when policy provisions or actuarial documents change for a crop. The producer may accept these changes or make other modifications to the insurance coverage by the sales closing date. If the producer desires to make changes for the crop, the producer may do so by the applicable sales closing date for the effective crop year. If the producer wishes to cancel coverage this must be done in writing by the cancellation date (but not for the year of application).

The insurance policy is continuous unless, prior to the cancellation or termination date, it is canceled in writing by the producer or terminated by the insurance company for debt or any other reason stated in the policy that causes the producer to be ineligible for coverage. Cancellation and termination dates are contained in the policy.

b. From whom will the information be collected? If there are different respondent categories (e.g., loan applicant versus a bank versus an appraiser), each should be described along with the type of collection activity that applies.

Insurance companies reinsured by FCIC under the Standard Reinsurance Agreement (SRA) are required to report and electronically submit specific, accurate information and data (data elements) to FCIC as documented in Appendix III. Crop insurance companies, including its agents, must collect data from producers in order to submit the required data to RMA. Producers are required to report specific data when they apply for crop insurance and report acreage, yields, and notices of loss. Producers must report specific

information if the crop insurance program is to be actuarially sound as mandated by section 506(o) of the Act, and sections 506(h) and 508(f) and (g) of the Act relative to the collection of information.

Insurance companies accept applications; issue policies; establish and provide insurance coverage; compute liability, premium, subsidies, and losses; indemnify producers; and report specific data to FCIC as required in Appendix III. Insurance agents market crop and livestock insurance and service the producer.

c. What will this information be used for – provide ALL uses?

Insurance companies must obtain enough information so insurability, liability, premium, subsidy and indemnities can be accurately determined.

Insurance companies are reinsured by FCIC under the SRA and are required to electronically submit specific and accurate data to FCIC. Loss data must be submitted for the purpose of funding the escrow account. The escrow account balance must be monitored by the companies so they can maintain sufficient collateral coverage to ensure timely funding of all losses. If there is a shortfall of funds in the escrow account, it is the insurance company's responsibility to deposit funds to cover any shortages. Monthly Operations Reports must be submitted for the purpose of making monthly settlements with FCIC regarding reimbursement of administrative expenses, losses, if applicable, and payment of premium to FCIC. A Policy Acceptance and Storage System (PASS) Error Report must be submitted to Data Quality Section (DQS) for guidance in correcting data rejected in the PASS. The gain or loss of the Company is calculated in the monthly Reinsurance Run Report generated by FCIC from data submitted by the Company. The FCIC PASS and Accounting Reports System (ARS) are two integrated data processing systems. PASS receives and validates transmitted data. Data validated by PASS is loaded to RMA databases. The ARS generates all accounting reports containing reinsured company data. Together they provide FCIC with a mechanism to ensure data received is accurate, errors are corrected timely, information contained in Monthly Operations Reports certified by the Companies is accurate for the data validated, and appropriate accounting entries are made in FCIC's Financial Accounting Systems. Annual settlement Operations Reports must continue to be submitted for any month that revised data are submitted. Court action, compliance, audit or investigative related findings by the Government or the insurance company after the September accounting cut-off following 5 years from the beginning of the reinsurance year must be reported to FCIC by the last banking day of each month corresponding to the transaction cutoff date.

Insurance policies are sold exclusively through insurance companies reinsured by FCIC in accordance with the SRA. In addition, insurance companies reinsure a portion of their risk for loss with other reinsurers as well. The insurance companies and their reinsurers assume liability. Insurance liability is determined from the information provided on the acreage report. Insurance companies are compensated for collecting acreage report information in accordance with the SRA. Producers may potentially report some of the same acreage information to both the insurance agent and a government agency. However, it is unrealistic insurance companies would accept acreage report information from any third party, since such information is used to determine the insurance liability

an insurance company assumes and establishes the contractual obligations between the producer and the insurance company. As such, the insurance company incurs all financial liability for errors and omissions to the extent the producer is not at fault.

In accordance with the SRA, the insurance company and/or agent may be held responsible for any subsequent loss or indemnity and may be rendered ineligible for reinsurance and a portion or all of any administrative and operating subsidy, if a reinsured company representative or agent makes an error, reports incorrectly, omits information, or misrepresents information. Insurance companies and their agents are required to provide service and benefits to their clients in accordance with the SRA and approved policy provisions and procedures of FCIC.

d. How will the information be collected (e.g. forms, non-forms, electronically, face-to-face, over the phone, over the Internet)? Does the respondent have multiple options for providing the information? If so, what are they?

RMA does not develop or distribute forms but creates form standards for the insurance companies to use in collecting the appropriate data for submission to FCIC as required by terms of the SRA and related documents. Appendix III lists the fields of required data by type/exhibit. Exhibits specify formulas, rounding rules, field edits, descriptions, etc. Insurance companies use this information for programming their computers so information can be submitted to RMA in the correct format. (For information collection purposes, RMA uses the types/exhibits information as the data elements). Following is a list of the types/data elements/exhibits and a brief explanation of each:

Type 05 – CIMS Request Record - Type 05 records are used to request insured producer data from the Comprehensive Information Management System, CIMS.

Type 09 – Fund Designation Record – Timely acceptance of the Type 09 record is required to establish the eligible crop insurance contract into either the Assigned Risk Fund or the Developmental Fund. Any eligible crop insurance contract not designated by the insurance company to the Assigned Risk Fund or the Developmental Fund will be designated to the Commercial Fund. RMA may accept fund designations records after the Actuarial Data Master (ADM) records have been released for the crop.

Type 10 – Policy Record - Type 10 records are used to establish a policy and provide information regarding the policyholder and entities with a Substantial Beneficial Interest, Spouse, Landlord, and Transfer of right to indemnity.

Type 11- Acreage record - Type 11 records are used to establish premium and liability for each line on the acreage report. The record also identifies the land location and allows reporting of common USDA information.

Type 12 – Payment Record - Type 12 records are used to record/report payments by producers for each eligible crop insurance contract.

Type 13 – Inventory Value Record - Type 13 records are used to establish premium and insurance values for Nursery and Aquaculture.

Type 14 – Insurance in Force Record - Type 14 records establish the crop, county, plan code and reports the eligible crop insurance contract data determined at sales closing. Type 14 records identify the data elements required for timely reporting of eligible crop insurance contracts.

Type 15 – Yields Record - Type 15 records are used to record/report APH yield information for designated crops.

Type 20 – Loss Total Record - Type 20 records are used to identify the application or disbursement of loss payments.

Type 21 – Loss Line Record - Type 21 records establish the loss amounts for a given eligible crop insurance contract.

Type 22 – Inventory Loss Record (Nursery and Aquaculture) - Type 22 records establish the loss amounts for a given eligible crop insurance contract.

Type 27 – Common Land Unit ID Records - Type 27 records are used to record/report up to fourteen corresponding common land unit IDs and associated acres for the Type 11 record.

Type 48 - Delete Records - This record deletes the following record types: P51, P54, P55, P56, P57 and P58.

Type 49 – Delete Records - Type 49 records are used to remove all records for the eligible crop insurance contract from the data base(s) and the duplicate T14 Indexed Sequential Access Method (ISAM) files.

Type 51 - Conflict of Interest Policy Reporting Record- Type 51 record is a record to report a COI respondent's potential conflict with a policy. Type 51 records are processed by the AIP for each policy and acceptance of this record is dependent upon acceptance of corresponding 54 or 55 or 56 records. Each record must provide a response identifying either a 54 Company Employee, 55 Agent or 56 Loss Adjustor.

Type 54 -Agency/Company Employee Data- Type 54 is a record for Agency/Company employee data. Type 54 records require a tax identification number for all records. This record also includes Conflict of Interest (COI) question responses.

Type 55 – Agent Data - Type 55 records are used to record/report agent information. The agent records on the database are maintained by the insurance companies.

Type 56 – Loss Adjuster Data - Type 56 records are used to record/report loss adjuster information.

Type 57 – Quality Control Reporting Record - Type 57 records are to be submitted annually by April 30 following the crop year for all reviews required to be performed by Appendix IV.

Type 58 - Notice of Loss Reporting- Type 58 records are be used to provide damage estimates to USDA, and keep RMA apprised of potential losses and occurrences by cause, date, location and type (prevented planting, replant, production loss, other) on a national level. This will be unverified information. Notice of loss records must be submitted within five business days of the date the AIP received the notice of loss for the policy.

Type 81 – Policy Holder Tracking Experience Inquiry –Type 81 records track policyholder experience.

The following are the data elements added due to program changes stemming from the Agricultural Act of 2014 (Farm Bill) which continues existing programs with modifications, and authorizes several new programs administered by RMA.

The Farm Bill strengthens crop insurance by providing more risk management options for farmers and ranchers and by making crop insurance more affordable for beginning farmers. It continues the growth of the crop insurance program, and provides avenues to expand farm safety net options for organic producers and specialty crop producers. It provides for increased program integrity, guaranteeing that tax dollars are used effectively and efficiently as FCIC expands the farm safety net.

Type 19- WFRP Farm Record – Type 19 records are used to establish premium and liability for the WFRP Farm report.

Type 23 – WFRP Indemnity Record – Type 23 records establish the indemnity amounts for a given eligible crop insurance contract.

Type 26 – Record Production Reporting – This record allows RMA to capture production information being reported by the producer at a lower level than the APH database, which is required to be established on a county/crop/unit/practice/type, and attach the production to a specific land location, such as CLU.

Type 75 – Records Producer Certification – Type 75 records allow RMA to capture the Beginning Farmer and Rancher application information submitted by AIPs.

e. How frequently will the information be collected

Monthly submission of policyholder data is mandatory through annual settlement if any activity occurred during the month. All policyholder data submitted will be processed through Policy Acceptance Storage System (PASS) as soon as possible. Any transmission received after cutoff or a file that is too large to be completed during the operation hours will be processed in the next operation period.

1. The Company is limited to submitting policyholder data through automated systems for 3 years following the first annual settlement for the reinsurance year. Settlement of claims still in litigation, arbitration, or any administrative proceeding more than 3 years after the first annual settlement for such reinsurance year must be reported to FCIC and will be processed manually following the resolution of such action.
2. “Transaction cutoff date” for weekly data reporting is 8:00 p.m. central time on Friday of each calendar week as shown in Exhibit 100-1, Weekly Transaction Cutoff Dates. A calendar week begins with Sunday and ends with Saturday. Any date that falls on a Saturday will use the preceding Friday as the transaction cutoff day.
3. “Transaction cutoff date” for monthly data reporting is 8:00 p.m. central time on Friday after the first Sunday of the month.
4. Electronic policyholder loss data for the purpose of funding the escrow account must be reported.
5. Monthly operations reports for the purpose of making monthly settlements with FCIC regarding reimbursement of administrative expenses, losses, if applicable, and payment to FCIC of premiums collected must be provided. They are required to be submitted through annual settlement time. Monthly submission of data is mandatory through annual settlement if any activity occurred during the month.
6. Annual settlement operations reports must continue to be submitted for any month that revised data are submitted.
7. A full book of business is required to be submitted twice annually during the first week after the February and August monthly transaction cutoffs.
8. For new and carryover policies, the company must designate eligible crop insurance contracts to the assigned risk fund, developmental funds, or commercial funds.

f. Will the information be shared with any other organizations inside or outside USDA or the government?

Section 502(c) prohibits the disclosure of information furnished by a producer to the public unless said information is transformed into a statistical or aggregate form that does not allow the identification of the person who supplied particular information. RMA’s aggregated book of business is available online at www.rma.usda.gov in the Summary of

Business interface. More detailed information may also be furnished to: the Internal Revenue Service, the Department of Justice, or other Federal or State law enforcement agencies, credit reporting agencies and collection agencies, and in response to judicial order in the course of litigation. Please refer to [FCIC-10, Policyholder](#), for routine uses of this information. The information requested is elective, but is required to obtain or retain crop insurance benefits. The producer must provide accurate and complete data so insurance companies and FCIC can accurately determine liability, subsidy, premium, and the amount of indemnity due a producer, if applicable, and keep the insurance program actuarially sound. A false claim made to the insurance provider or FCIC, or a false statement made on a matter within the jurisdiction of the Corporation, may subject the maker to criminal and civil penalties under the provisions of 18 U.S.C., 1001, 1006, 1014; 31 U.S.C. 3729, and 3730.

g. If this is an ongoing collection, how have the collection requirements changed over time?

Collection requirements remain unchanged. However, new pilot crop insurance programs have been added. New pilot programs and privately developed crop insurance programs under section 508(h) of the Act include: margin protection, peanut revenue, downed rice, machine harvested cucumbers, sprinkler irrigated rice, high amylose corn, peanut revenue, clary sage, hybrid rice seed, Texas citrus tree – lime trees which increased the burden hours.

3. USE OF INFORMATION TECHNOLOGY:

In compliance with section 508(a)(5) of the Act, the Corporation to the maximum extent practicable, shall allow producers and insurance companies to use electronic methods to submit information required by the Corporation.

The insurance companies, under the oversight of FCIC, offer service delivery functions over the Internet. Internet-based services provided by these entities will be offered as an alternative to traditional paper-based delivery mechanisms, which are primarily based on face-to-face interaction between producers and insurance agents. FCIC continuously works with insurance companies to ensure timely implementation with all statutory requirements. FCIC routinely works in conjunction with the Farm Service Agency (FSA), Natural Resources Conservation Service, and Rural Development to fully integrate a web-based information system known as ACRSI.

Insurance companies that sell and service crop insurance, and crop insurance service organizations, generate computer forms used to collect data elements in accordance with FCIC's information collection standards. Insurance company representatives and agents send the information they collect to the insurance companies electronically or by hard copy documents. This information is entered into insurance company databases and is used by the insurance company to sell, service, underwrite, train, and develop new products. Insurance companies use computer programs that process information in a format compatible with FCIC's automated systems. This enables insurance companies to report required data elements to FCIC electronically. Some insurance companies have

computer systems programmed to automatically send the data by a specific time each day, while other insurance companies send the information less frequently. FCIC has established deadlines for receiving information or penalties apply. This information is used to determine expenses of the Corporation including premium subsidies, indemnities, administrative and operating expenses of the insurance companies, and other administrative and operating expenses of the Corporation.

At the present time insurance companies may or may not be exchanging data electronically with their insurance agents or accepting electronically submitted data from individual producers. Any person wishing additional information may contact an insurance company or insurance agent listed on RMA's web site at: <http://www.rma.usda.gov/>.

4. EFFORTS TO IDENTIFY DUPLICATION:

Some of the same data, such as certain producer information, may be required under different plans of insurance and policies. However, once such information is provided by the producer it is used for all applicable plans of insurance and policies without the producer being required to provide the same information multiple times. An exception would apply if the producer insured different crops with different insurance companies, which would require the producer to provide some of the same information to each insurance company because of barriers in sharing certain producer data between insurance companies.

FSA and RMA share many common producers because many of the same producers participate in both FSA and RMA programs. Currently, those producers may be required to report much of the same information to both FSA and RMA. For the time being until ACRSI is fully operation. Possible duplicate information may include crop, acreage and production data and producer data, such as names, addresses, and identification numbers.

Since 2004, the RMA and FSA have jointly worked on the Comprehensive Information Management System (CIMS) project. CIMS provides a single, centralized repository of RMA and FSA information for use by authorized agencies and the insurance companies to meet their program administration data needs. The CIMS project seeks to support information requests, assist in timely identification of possible reporting errors, reduce fraud and abuse vulnerabilities, reduce costs associated with data collection, and improve overall program integrity in the respective agency programs.

While CIMS has not eliminated producers from providing some of the same information to both FSA and RMA, approved USDA users can utilize CIMS web applications to access available data. CIMS also provides a tool that has proven helpful to state and county FSA offices and insurance companies as they review and process information required for program participation. Also, the CIMS process builds data marts of differences between RMA and FSA producer reported data on entity/business type and crop acreage. CIMS makes these differences available to the responsible program authority for reconciliation using current program authorities, processes, and procedures. In addition, RMA, FSA and other USDA agencies that share common producers and data are engaged in a Departmental level project to establish data standards for common

information used for producer commodity reporting to USDA. The project, Acreage Crop Reporting Streamlining Initiative (0563-0084) objectives include standardizing information collection requirements, developing common producer, land and crop identifiers; and an electronic medium that allows applicable agencies immediate access to the information upon producer certification. Once implemented, the current duplicative producer reporting of information will be significantly reduced, if not eliminated.

5. METHODS TO MINIMIZE BURDEN ON SMALL BUSINESSES OR ENTITIES:

The information collection requirements involve producers of agricultural products who are insured and insurance companies reinsured by FCIC, which includes their agents and representatives. The burden of the information collection will vary depending on whether or not the producer cancels the insurance coverage then reapplies, whether options are elected, the number of crops insured, if the crop is damaged by an insurable cause, if the producer has a first and second crop on the same acreage in the same crop year, etc. RMA strives to minimize the reporting burden but must collect enough information to keep the crop insurance program actuarially sound as mandated by the Act.

6. CONSEQUENCE IF INFORMATION COLLECTION WERE LESS FREQUENT:

If specific information is not collected by the specified dates, the producer may not have insurance coverage or the amount of insurance may be reduced. The crop insurance program would not be administered in an actuarially sound manner if specific information (data) were not collected by the established dates. As producers change the crops and where crops are planted each year, less frequent collection of data would jeopardize actuarial soundness, and result in inaccurate premium charges to producers.

If producers and insurance companies did not submit the required data at the specified time, accurate liabilities, premium, and subsidies may not be determined, errors may not be resolved timely, producers may not receive accurate indemnities, payments may be late, and crop insurance may not be actuarially sound as mandated in the Act

7. SPECIAL CIRCUMSTANCES OF THE INFORMATION COLLECTIONS

Requiring respondents to report information to the agency more often than quarterly;

Insurance companies must submit specific required data to RMA on a weekly, monthly, and annual basis. The information collection activities contained herein are not collected more frequently than quarterly from producers.

Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;

FCIC does not require the 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;

The respondents are not required to submit more than an original and two copies.

Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than 3 years;

Insurance companies maintain records longer than 3 years as a normal business practice. Producers normally maintain records for an indeterminate amount of time because of income tax obligations.

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;

No statistical survey is conducted by these collections.

Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;

No statistical data classification that has not been reviewed and approved by OMB is used.

That includes a pledge of confidentiality that is not supported by authority established in statute 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

A pledge of confidentiality is not required.

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.

No proprietary trade secrets or other confidential information are requested.

8. FEDERAL REGISTER NOTICE, SUMMARIZATION OF COMMENTS, AND CONSULTATION WITH PERSONS OUTSIDE THE AGENCY:

The 60-day notice was published on September 25, 2015 at 80 FR 57783. No comments regarding this notice were received.

Mark Spletstaszer
Divisional Assistant Vice President Crop Division, 785.840.1160, 513.369.7431 fax

msplettstaszer@gaig.com

Dennis Daggett, Senior VP, Strategic Initiatives, ProAg, Twin Cities Metro Office
7950 Main St. N, Suite 230, Maple Grove, MN 55369, Office: (800) 852-4497
Cell: (515) 468-0459, Ddaggett@proag.com

Jeff Meyer, Product Manager Rain and Hail, Corporate Office, Office: 515.559.1168
Jeff.Meyer@RainHail.com

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS.

A payment or gift is not provided to respondents for providing the information requested for this crop insurance program.

10. CONFIDENTIALITY PROVIDED TO RESPONDENTS:

The data that is collected is handled according to established RMA procedures for implementing the Privacy and Freedom of Information Act. The information collections comply with the Privacy Act of 1974 and OMB Circular A-130, Responsibilities for the Maintenance of Records About Individuals by Federal Agencies.

11. QUESTIONS OF A SENSITIVE NATURE:

No questions of a sensitive nature are contained in these data elements.

12. ESTIMATE OF INFORMATION BURDEN:

FCIC estimates there are 20,714 respondents for insurance companies and 570,036 producer respondents (farmers) for a total of 590,750 respondents, 11,331,829 responses with an estimated annual public burden of 8,555,843 hours. See separate spreadsheet for break-out.

Cost to Respondents: The estimated total burden cost is \$247,113,833 per year.

Information obtained from the Office of Personnel Management at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2015/RUS_h.pdf for the GS-11-01 level. Information obtained from the Bureau of Labor Statistics at http://www.bls.gov/oes/current/oes_nat.htm.

The hourly wage for each respondent was estimated as follows:

45-2011 Agricultural Inspectors	\$20.97
41-3021 Insurance Sales Agent	\$30.64
13-1031 Claims Adjusters, Examiners, and Investigators	\$30.53
13-2053 Insurance Underwriter	\$33.93
11-9013 Farmers, Ranchers, and Other Agricultural Managers	\$34.89

43-9061 Office Clerk-General	\$14.82
13-2011 Account and Auditor	\$35.42
15-1133 Software Developers, Systems Software	\$50.98
Ins. Sales Agent/Farmer and Rancher	\$32.77
Ins. Sales Agent/Ins. Underwriter/Farmer	\$33.15
Ins. Sales Agent/Office Clerk	\$22.73
Ins. Sales Agent/Ins. Underwriter/Office Clerk	\$26.46
Ins. Sales Agent/Office Clerk/Claims Adjusters	\$25.33
Ins. Sales Agent/Ins. Underwriter/Farmer/Ag. Insp.	\$30.11
Ins. Sales Agent/Claims Adjuster	\$30.59
Ins. Sales Agent/Claims Adjuster/Farmer	\$32.02

13. TOTAL ANNUAL COST TO RESPONDENTS OR RECORD KEEPERS

The insurance companies report that the average yearly expenses are approximately 5 percent of gross premium for telephone lines, transferring data, programming, support and research of data reporting errors, and computer processing time.

The total premium for the 2015 reinsurance year was 9.5 billion. The costs of reporting data, processing data, and software programming would equate to \$475,101,102.

14. ANNUAL COST TO THE FEDERAL GOVERNMENT:

There is no cost to the Federal Government for the collection of information. The information is collected by the insurance companies through their representatives and agents. However, insurance companies are required to submit specific data to RMA in accordance with Appendix III and the SRA. RMA estimates it costs the Federal Government \$13,260,000 annually to directly receive, store, and format the data from the insurance companies that they have collected. Of this amount \$280,000 is for hardware to receive the information, \$7,200,000 is for maintenance and operations of the hardware, \$5,757,000 is for application, programming, and database loads for Reinsurance Accounting System/FCIC Data Acceptance System (RAS/PASS), and \$1,050,000 is for Federal employee salaries to resolve errors, expense reimbursements and loss payments.

FCIC does not produce or distribute forms. Therefore, there is no cost of producing or distributing forms to the Federal Government.

15. REASONS FOR CHANGES IN BURDEN:

FCIC reviewed each line item and data element by consulting with RMA subject matter experts and producers to develop response times for new data elements. The public was able to comment on the response times included in the 60 day notice during the comment period.

Due to program changes and 2014 Farm Bill Implementation, FCIC added several data elements resulting in an increase in burden hours. On Feb. 7, 2014, the President signed the Agricultural Act of 2014 (2014 Farm Bill) which continues existing programs with modifications, and authorizes several new programs administered by RMA.

Additionally, the burden has increased due to added hours for new pilot programs, and privately developed crop insurance programs under section 508(h) of the Act for margin protection, peanut revenue, downed rice, machine harvested cucumbers, sprinkler irrigated rice, high amylose corn, peanut revenue, clary sage, hybrid rice seed, Texas citrus tree – lime trees. The increases and decreases within industry resulted in an overall increase in burden of 413,940 hours. See separate breakdown for question 15.

16. TABULATION, ANALYSIS AND PUBLICATION PLANS

Participation data is used by FCIC to make programmatic recommendations and changes, to determine administrative and operating and premium subsidy expenses of the Corporation, and determine producer guarantees, premium, and any applicable indemnities. The Risk Management Agency (RMA) publishes a Summary of Business on their website, which includes a variety of reports, data files, and an application that provides insurance experience for commodities grown and insured. This includes the most current information, national reports, and the ability to create ad-hoc queries. Data for the past five years, is updated each Monday with a collection period cutoff every Friday, includes all of the business data that has been validated and accepted throughout the previous week. Data prior to the past five years is static and no longer updated.

17. REASONS DISPLAY OF EXPIRATION DATE OF OMB APPROVAL IS INAPPROPRIATE.

RMA does not produce or distribute forms; therefore, there is no request to not display an expiration date on forms.

18. EXCEPTIONS to 83-I CERTIFICATION STATEMENT

This information collection meets the certification requirements of SF-83-I, Item 19.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS.

The information collections represented in this docket do not employ statistical methods.