

1 Supporting Statement

**FLORICULTURE SURVEY**

OMB No. 0535-0093

This docket is asking for an extension of 3 years to an ongoing annual data collection and publication of floriculture data. This is a voluntary data collection.

**TERMS OF CLEARANCE**

Date 01/24/2013

NASS agrees to implement the response rate calculation as identified in the OMB statistical directive (1 and 2), Standards and Guidelines for Statistical Surveys when calculating and publishing this round's response rates and for prospective rounds of this information collection.

**REPLY**

The response rate reported in Supporting Statement Part B, were calculated using the OMB approved standards.

**A. JUSTIFICATION**

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The primary function of the National Agricultural Statistics Service (NASS) is to prepare current official State and national estimates of crop and livestock production, prices, and disposition. Since 1985 Congress has provided funds to conduct an annual Commercial Floriculture Survey which obtains data on this important and growing industry. According to the 2012 Census of Agriculture, 26,884 operations produced floriculture crops that accounted for approximately \$5.9 billion in wholesale sales at the U.S. level.

The Census of Horticultural Specialties (0535-0236) has been conducted periodically since 1898. Since 1950 it has been conducted approximately every 10 years to show how the industry has changed over time. It is the only source of

detailed and consistent data series on horticultural crop production and sales by type of plant at both State and national levels. The horticultural specialties census includes operations growing and selling \$10,000 or more of horticultural specialty crops. In order to track changes within this industry the annual Floriculture survey was developed. This survey measures trends or changes within this industry.

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

The current annual floriculture survey is a census of all known commercial floriculture operations which grow and sell at least \$10,000 worth of floriculture products in 15 of the largest producing states. Prior to 2007 the Commercial Floriculture Survey was conducted in the 36 largest floriculture producing States. Due to budget cutbacks the number of States was reduced to 15 major producing States in 2007 and all subsequent years. The 15 States that are currently surveyed account for over 74% of the floriculture production in the US (2012 Census of Agriculture).

The annual floriculture survey obtains basic data from operations with sales of \$10,000 or more in total sales and detailed data from operations with \$100,000 or more in total sales. The retail and wholesale quantity and value of sales are collected for the following seven categories: fresh cut flowers, potted flowering plants, foliage plants, annual bedding/garden plants, herbaceous perennials, cut cultivated florist greens, propagative floriculture material, and unfinished plants. Also included is additional detail on area in production, operation value of sales, and agricultural workers. This annual information is used to measure trends within this industry.

General authority for these data collection activities is granted under U.S. Code Title 7, Section 2204 which specifies that "The Secretary of Agriculture shall procure and preserve all information concerning agriculture which he can obtain ... by the collection of statistics ... and shall distribute them among agriculturists."

- 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.**

Estimates from this floriculture survey are used by all segments of the industry to assess current production levels, potential growth, and resource needs. Some of the industry organizations that rely on the data collected by this survey are the Society of American Florists, the Association of Specialty Cut Flower Growers, the American Orchid Society, the Perennial Plant Association, the International Cut Flower Association, the California Cut Flower Commission, the Florida Nursery, Growers and Landscape Association, the Colorado Nursery & Greenhouse Association, OFA – an Association of Floriculture Professionals, and the Connecticut Florists Association.

The Bureau of Economic Analysis (BEA) and the USDA's Economic Research Service (ERS) rely heavily on this data as a key factor in calculating total farm income and agricultural output.

Financial institutions use these data extensively to evaluate the granting of business loans. The U.S. Department of Agriculture uses the information to allocate grants to land grant universities. Land grant universities, in conjunction with USDA's Extension Service, use data from the floriculture survey to assess alternative agriculture opportunities. The U.S. Department of Labor uses the results of the floriculture survey to estimate the number of workers in the industry. The Environmental Protection Agency uses production figures to determine the extent of pesticide usage.

The International Trade Commission uses these data to address questions on imports and to show injury caused by foreign competitors' unfair trade practices; floriculture data have been used to investigate the dumping of cut flowers by foreign producers. The office of the U.S. Trade Representative, Executive Office of the President, uses the data collected by NASS in their Generalized System of Preference (GSP), which determines preferred imports from other countries. The GSP is used for countries not included in the General Agreement on Trade and Tariff (GATT). Government representatives have used the data for GATT and the North American Free Trade Agreement (NAFTA) negotiations to make decisions regarding the importing of these products.

- 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.**

The Commercial Floriculture Survey will be available on the internet for anyone who is selected to be in the sample. Operators who do not have access to the

internet or who choose not to use it, will still be able to complete the survey on paper, by phone or in person with one of our field enumerators.

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

The National Agricultural Statistics Service cooperates with State departments of agriculture and land grant universities to conduct agricultural surveys; they are also coordinated with collections for the Census of Agriculture and the Census of Horticultural Specialties done every 10 years. This survey meets both State and Federal needs, thus eliminating duplication and minimizing reporting burden on the agricultural industry. Data collected on this survey are not available from any other source.

- 5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-1), describe any methods used to minimize burden.**

The floriculture survey universe contains only producers who have production and annual gross sales of all floriculture crops of \$10,000 or more. Detailed production data are collected only from producers with sales of \$100,000 or more. A skip question directs operators with less than \$100,000 in total sales to report only three items -- area used for production, gross value of sales, and largest number of floriculture workers for any one day. Approximately 89% of the operations are classified as 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 floriculture survey is conducted annually to collect total production and sales figures for the floriculture industry. Since many items included in this survey are seasonal, such as cut roses for Valentine's Day, bedding plants for summertime, chrysanthemums for fall, and poinsettias for Christmas, the survey must be conducted annually to get a complete data set for this industry.

Collecting data less frequently than annually would not keep data users abreast of changes in the industry or provide data for government needs.

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

There are no special circumstances associated with this information collection.

- 8. Provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments.**

The Notice soliciting comments on this information collection was published in the Federal Register on May 29, 2015 on page 30653. Two public comments were received and are attached to this submission. One was from Dr. Dennis Fixler from the Bureau of Economic Analysis at the US Department of Commerce in support of the survey. The second comment was from Ms. Jean Public opposing the survey.

**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 record-keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

The Society of American Florists serves as the primary industry contact in planning and implementing the floriculture survey. Other producer groups that have been contacted in the past for input include the American Society for Horticultural Science, American Orchid Society, Association of Specialty Cut Flower Growers, International Cut Flower Growers Association, Colorado Nursery and Greenhouse Association, OFA – an Association of Floriculture Professionals, Florida Nursery Growers & Landscape Association, Connecticut Florists Association and several other State and local growers associations. Local industry specialists, university floriculture staff, and agricultural economists are also consulted on technical issues.

Whenever proposed changes to the questionnaire(s) arise, occasionally NASS will need to consult with the industry representatives to verify commodity specific issues. However, the biggest benefit NASS gets from these organizations occurs when they talk with their members and let them know how this data is useful to them as growers and marketers of floriculture products, and they encourage their members to complete their surveys in a timely manner.

- 9. Explain any decision to provide any payment or gift to respondents.**

There are no payments or gifts to respondents.

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

Questionnaires include a statement that individual reports are kept confidential.

U.S. Code Title 18, Section 1905 and U.S. Code Title 7, Section 2276 provide for the confidentiality of reported information. All employees of NASS and all enumerators hired and supervised under a cooperative agreement with the National Association of State Departments of Agriculture (NASDA) must read these regulations and sign a statement of compliance.

Additionally, NASS and NASS contractors comply with OMB Implementation Guidance, Implementation Guidance for Title V of the E-Government Act, Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA), (Public Law 107-347). CIPSEA supports NASS' pledge of confidentiality to all respondents and facilitates the agency's efforts to reduce burden by supporting statistical activities of collaborative agencies through designation of NASS agents, subject to the limitations and penalties described in CIPSEA.

The following CIPSEA Pledge statement appears on all NASS questionnaires.

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

All individuals who may access these confidential data for research are also covered under Titles 18 and CIPSEA and must complete a Certification and Restrictions on Use of Unpublished Data (ADM-043) agreement.

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

There are no questions of a sensitive nature.

**12. Provide estimates of the hour burden of the collection of information. The statement should indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I. Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.**

The average completion time per questionnaire shown in the table below, are based on time required for earlier surveys. The overall sample size is broken

down into two expected value-of-sales groups (\$10,000 to \$100,000, and greater than \$100,000); skip techniques will ask fewer questions of the smaller operations and more of the larger operations, resulting in two different response times for all States except Hawaii.

Due to the diversity of plants grown in Hawaii, their questionnaire contains numerous tropical plants not found in the standard questionnaires used in the mainland States. While the questionnaire for Hawaii is longer than the mainland versions, we have found that the average respondent burden has remained the same. Many of the growers in Hawaii are specialized growers. The built in screening and skip patterns allow the respondents to go to the sections of the questionnaire that pertains to their operation very quickly. Due to the large number of small specialized growers in Hawaii, NASS collects detailed data from all operations that produce and sell \$10,000 or more per year.

NASS regularly checks the Bureau of Labor Statistics' [Occupational Employment Statistics](#). Mean wage rates for bookkeepers, farm managers, and farm supervisors are averaged to obtain the wage for the burden cost. The May 2014 mean wage for bookkeepers is \$18.30. The mean wage for farm managers is \$34.89. The mean wage for farm supervisors is \$22.86. The mean wage of the three is \$25.35.

Cost to the public of completing the questionnaires is assumed to be comparable to the hourly rate of those requesting the data. Reporting time of 4,950 hours are multiplied by \$25 per hour for a total cost to the public of \$123,750.

**Annual Projected Burden for OMB 0535-0093 for 2016 - 2018**

Survey	Estimated Sample Size	Freq	Estimated Responses				Non-response			
			Resp. Count	Freq x Count	Min./ Resp.	Burden Hours	Nonresp Count	Freq. x Count	Min./ Nonr	Burden Hours
<b>Small Operations &lt; \$100,000 in annual sales</b>										
Annual Floriculture Survey (first mailing)	4,000	1.00	1,200	1,200	10	200	2,800	2,800	2	93
Annual Floriculture Survey (second mailing)	2,800	1.00	700	700	10	117	2,100	2,100	2	70
Annual Floriculture Survey (follow up enumeration)	2,100	1.00	1,292	1,292	10	215	808	808	2	27
Publicity Materials mailed with first and second mailings	6,800	1.00	1,900	1,900	5	158	4,900	4,900	2	163
Subtotals	4,000		3,192	3,192		690	808	5,708		353
<b>Large Operations &gt; \$100,000 in annual sales</b>										
Annual Floriculture Survey (first mailing)	2,900	1.00	870	870	60	870	2,030	2,030	2	68
Annual Floriculture Survey (second mailing)	2,030	1.00	508	508	60	508	1,522	1,522	2	51
Annual Floriculture Survey (follow up enumeration)	1,522	1.00	936	936	60	936	586	586	2	20
Publicity Materials mailed with first and second mailings	4,930	1.00	1,378	1,378	5	115	3,552	3,552	2	118
Subtotals	2,900		2,314	2,314		2,429	586	4,138		257
<b>Hawaii</b>										
Annual Floriculture Survey (first mailing)	1,318	1.00	395	395	60	395	923	923	2	31
Annual Floriculture Survey (second mailing)	923	1.00	231	231	60	231	692	692	2	23
Annual Floriculture Survey (follow up enumeration)	692	1.00	426	426	60	426	266	266	2	9
Publicity Materials mailed with first and second mailings	2,241	1.00	626	626	5	52	1,615	1,615	2	54
Subtotals	1,318		1,052	1,052		1,104	266	1,881		117

- 13. Provide estimates of the total annual cost burden to respondents or record keepers resulting from the collection of information, (do not include the cost of any hour burden shown in items 12 and 14). The cost estimates should be split into two components: (a) a total capital and start-up cost component annualized over its expected useful life; and (b) a total operation and maintenance and purchase of services component.**

There are no capital/start-up or ongoing operation/maintenance costs associated with this information collection.

- 14. Provide estimates of annualized cost to the Federal government; provide a description of the method used to estimate cost which should include quantification of hours, operational expenses, and any other expense that would not have been incurred without this collection of information.**

The appropriation from the Federal Government for the floriculture survey is \$1,100,000. Approximately \$980,000 is personnel costs (approximately \$270,000 of the total was for data collection), with the remainder for travel (\$60,000), training (\$10,000), printing (\$25,000), and data processing (\$25,000).

- 15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I (reasons for changes in burden).**

The average annual response burden increased from 4,464 hours to 4,950 hours, an increase of 486 hours. The number of responses decreased from 27,625 to 18,285 a decrease of 8,688. The number of respondents went from 9,000 down to 8,218, a decrease of 782.

There are two program changes that are included in this submission. First, a minor decrease in respondents and burden occurred in Hawaii due to the discontinuation of the annual *Export Sales of Flowers and Nursery Products* survey. Second, the small and large operations were merged together into one sample and is to be conducted in the same manner as the rest of the United States, with one exception. In the rest of the US small operations with less than \$100,000 in sales do not have to complete the detailed production and sales questions, only the whole operation questions. In Hawaii, operations with sales greater than \$10,000 are asked to complete the detailed questions. Many of the producers of the tropical flowers are small but very specialized producers, therefore, NASS needs detailed data from these operators in order to publish this information in response to a cooperative agreement.

There is a reduction in the number of respondents which results in an adjustment in the sample sizes and number of responses. With changes in the floriculture industry, many smaller operations have either gone out of business or have

merged with other operations; as a result there is a decrease in the estimated number of operations. In the previous submission the publicity materials were mailed out with the questionnaires and not as a pre-survey contact. Therefore there is an adjustment in the number of responses. There is a slight increase in respondent burden due to an adjustment. In the previous submission we omitted the burden that was associated with the attempt to collect data from the larger operations by mail before beginning the phone and field enumeration.

	Responses	Respondent Burden	Responses	Respondent Burden	Responses	Respondent Burden
	(Response)		(Non-Response)		Combined	
Previously Approved - 2012	12,826	3,971	14,799	493	27,625	4,464
Program Changes						
Discontinued Export Sales Survey in Hawaii	(70)	(23)	(30)	(1)	(100)	(24)
Combined Long and Short Forms into One Questionnaire in Hawaii	(1,346)	252	794	81	(552)	153
Subtotal	(1,416)	229	764	80	(652)	129
Adjustments						
Adjusted Population Size (Small Operations)	(1,466)	(153)	(1,054)	(68)	(2,520)	(221)
Adjusted Population Size (Large Operations)	(1,106)	176	3,098	222	1,992	397
Adjusted Previous Counts for Publicity Materials Mailed with Surveys Rather than as Pre-survey materials	(2,280)	-	(5,880)	-	(8,160)	(2,000)
Subtotal	(4,852)	23	(3,836)	154	(8,688)	(1,603)
Current Balances - 2015	6,558	4,223	11,727	727	18,285	4,064

- 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.**

In order to accommodate some of the smaller growers and the seasonal growers the Floriculture survey questionnaires are mailed in early December to these operators. The larger operations receive their forms in early January. Each of these mailings is followed by a second request mailing to non-respondents approximately 2 weeks later. Non-respondents to the mail requests are telephoned the end of January through late February. Large growers having complex operations are surveyed by personal contact. The reference period is the previous calendar year.

Total value of sales at wholesale can be calculated for growers with less than \$100,000 in sales based on the reported gross value of sales. This technique simplifies the survey process, reduces respondent burden, and provides approximately the same coverage. With the aid of control data identification methods established by NASS, nearly all growers with annual sales below \$100,000 can be contacted by telephone.

Individual reports from the December, January, and February data collection period are given a preliminary review by the floriculture statistician in each Regional Field Office (RFO). Statisticians in each RFO and the Headquarters floriculture commodity statistician have an Estimation Manual which provides standard analysis and estimation procedures. Then a computer edit program checks the data and summarizes to a State total. Survey summary indications and statistician estimated recommendations for the floriculture survey are due in Washington, D.C., Headquarters in mid-March. These recommendations are reviewed and combined to generate national totals for publication in the *Floriculture Crops* release which is issued in late April.

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

- 17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

There is no request for approval of non-display of the expiration date.

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

There are no exceptions to the certification statement.

September 2015