

Supporting Statement – Part A

**COLD STORAGE**

OMB No. 0535-0001

**A. JUSTIFICATION**

This docket is submitted for revision and extension of three years. There is one program change: The monthly Apple Storage Survey has been discontinued. In addition, there are minor changes to sample sizes and burden for the other surveys in the docket.

- 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 National Agricultural Statistics Service's primary function is to prepare and issue state and national estimates of crop and livestock production, value, and disposition. In this capacity the Agency also prepares a number of associated estimates affecting the agriculture industry, such as this Cold Storage report. This monthly survey provides information on national supplies of food in refrigerated storage facilities. A biennial survey of refrigerated warehouses is also conducted to provide a benchmark of the capacity available for refrigerated storage of the nation's food supply.

Providing information on national supplies of food in refrigerated storage facilities has been the responsibility of the Department of Agriculture since 1914. This service is the outcome of an investigation made by the Department in 1911, in response to allegations that food warehouses were being used by food speculators to "corner the market" and drive up prices paid by consumers. The Secretary recommended that the public should know the amounts of foods in warehouses and that the Department should issue periodic reports on a pre-announced date and time.

General authority for these data collection activities is granted under U.S. Code Title 7, Section 2204. This statute 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.**

The monthly *Cold Storage* reports include inventory statistics for approximately 100 food items held in public, private, and semi-private refrigerated warehouses. USDA agencies such as the World Agricultural Outlook Board, Economic Research Service, and Agricultural Marketing Service use information from the *Cold Storage* reports in administering government commodity programs and in supply and demand analysis. Included in the reports are stocks of pork bellies, frozen orange juice concentrate, butter, and cheese, which are traded on the Chicago Board of Trade.

Stocks figures in the *Cold Storage* reports are used by food processors, food brokers, and farmers in making production, marketing, and pricing decisions. This data results in the production and marketing of products in a more efficient and orderly fashion, which in turn helps to stabilize prices. The warehouse industry uses the published data to learn what portion of total food storage is in public space and the occupancy level of cooler and freezer rooms. The stocks numbers are also used by industry analysts, transportation companies, insurance adjustors, banks, and other lending institutions as they service the refrigerated warehouse and food service industries. A copy of the monthly *Cold Storage* report is placed in a Civil Defense file to be available in case of national emergency.

Information from the biennial *Capacity of Refrigerated Warehouses* report is used by warehouses, food processors, and government agencies such as the Farm Service Agency and Environmental Protection Agency to determine the number of plants and the amount of refrigerated space on a state and national basis.

- 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.**

In order to reduce respondent burden, reporting by email is supported. Approximately 23 companies (representing 175 facilities) currently have an arrangement to send a file each month with the requested data in a spreadsheet or text format of their choice to NASS via email. Approximately 15 percent of responses are received this way, accounting for approximately 65 percent of total tonnage.

Questionnaires are mailed to other operations using the US Postal Service. Operations that receive the questionnaires by mail can respond online using a unique internet access code printed on their questionnaire, or by email, fax, mail, or telephone interview.

**4. Describe efforts to identify duplication.**

NASS cooperates with state agencies and universities to conduct agricultural surveys. This eliminates gathering the same data by more than one agency.

NASS constantly builds and maintains a list-based sampling frame which contains identification information on operations that have either refrigerated, freezer, or other controlled atmosphere facilities, along with their usable capacity data. The name, address, and telephone number(s) of operations are continuously monitored to eliminate duplication in this frame. These surveys meet both state and federal needs, thus eliminating duplication and minimizing reporting burden on the agricultural industry.

The US Apple Association collects data for apples in cold storage each month, and publishes this information in their own publication. Previously, NASS' Pennsylvania Regional Field Office (RFO) collected and published similar data on the variety of apples in cold storage in Pennsylvania through a cooperative agreement between NASS and the State of Pennsylvania's Department of Agriculture. After assessing the quality, timeliness, and availability of the administrative data collected by the US Apple Association, it was determined that those data were sufficient to justify discontinuing the Pennsylvania RFO's collection of apple storage data.

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

Respondents have multiple options for reporting, including by mail, internet, email, or telephone interview. Data collection is timed to coincide with the availability of most respondents' monthly inventory reports and the questionnaire has been designed to minimize the effort required to transfer data from typical inventory reports. In addition, NASS accepts data from respondents in spreadsheet or text formats that differ from the questionnaire's layout.

**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.**

Collecting data less frequently would reduce the value of the information to data users. Many cold storage items show seasonal patterns when there is heavy movement into or out of storage and these movements are important to track.

For facilities that store butter or cheese, an accurate response to this monthly inquiry is mandatory under Public Law No. 106-532 and 107-171.

- 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; or requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.**

Survey data are collected monthly and biennially depending on the need for information to keep the U.S. Department of Agriculture informed of changes at the state and national levels. Timing and frequency of the surveys have evolved to meet the needs of producers, facilities, agribusinesses, and government agencies.

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

The Federal Register Notice soliciting comments was published on December 1, 2015, pages 75048-75049. One public comment from Jean Public was received in connection with this notice.

**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.**

Several trade associations were consulted regarding the content and format of the Cold Storage surveys, including the Global Chain Alliance, the National Chicken Council, the Processing Strawberry Advisory Board of California, and the National Milk Producers Federation.

- 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.

For those facilities which store butter or cheese, response to the dairy products portion of the Cold Storage Report is mandatory and subject to verification by the Agricultural Marketing Service under Public Law No. 106-532. This law specifically protects the confidentiality of the operator's data from public disclosure, except as directed by the US Secretary of Agriculture or the US Attorney General for enforcement purposes to ensure compliance with the Dairy Product Mandatory Reporting program.

**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.**

To estimate wage rates for calculating burden, NASS uses the Bureau of Labor Statistics' [Occupational Employment Statistics](#). Mean wage rates for bookkeepers and accountants were averaged to obtain the wage rate for estimating burden cost. The May 2014 mean wage rates for bookkeepers and accountants were \$18.30 and \$35.42, respectively. The mean wage of the two was \$26.86.

The table below contains estimated burdens for the surveys in this docket. The total burden cost to the public is estimated to be \$107,055 (3,965 burden hours multiplied by the mean wage rate of \$27 per hour).



Annual Projected Cold Storage Response Burden for 2016 - 2018											
Survey	Sample Size	Waves of Data Collection	Responses				Nonresponses				Total Burden Hours
			Resp. Count	Waves x Count	Min./ Resp.	Burden Hours	Nonresp. Count	Waves x Count	Min. / Non-Resp.	Burden Hours	
<b>Voluntary Survey</b>											
Refrigerated Capacity <u>1/</u>	1,600	1.0	1,360	1,360	30	680	240	240	2	8	688
<b>Capacity Subtotal</b>	1,600		1,360	1,360		680	240	240		8	688
The refrigerated capacity survey is only conducted one out of the three years included in this renewal. This is the <b>annual average</b> rates.	528		449	449	30	224	79	79	2	3	227
Monthly Cold Storage	550	12	468	5,610	30	2,805	83	990	2	33	2,838
<b>Voluntary Subtotal</b>	1,078		916	6,059		3,029	162	1,069		36	3,065
<b>Mandatory Survey</b>											
Monthly Cold Storage <u>2/</u>	300	12	300	3,600	15	900	0	0	2	0	900
<b>Mandatory Subtotal</b>	300		300	3,600		900	0	0		0	900
<b>Total</b>	1,378		1,216	9,659		3,929	162	1,069		36	3,965

1/ Capacity Survey is conducted only in odd numbered years for all known operations with refrigerated storage capacity. The monthly cold storage sample is drawn from that population.

2/ The Monthly Cold Storage Survey is mandatory for plants that store butter or cheese.



- 13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.**

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

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

The total cost to the Federal government for the Cold Storage surveys is approximately \$500,000. Approximately \$335,000 is budgeted for federal salaries, \$25,000 for telephone and field enumeration by NASDA enumerators, and \$140,000 for printing, postage, data processing, etc.

- 15. Explain the reasons for any program changes or adjustments (reasons for changes in burden).**

The new burden hour total of 3,965 is 208 hours less than the previous burden of 4,173 hours. This reduction is due to small changes in sample sizes, as well as the discontinuation of the Apple Storage Survey. NASS's Pennsylvania Regional Field Office is no longer conducting the Apple Storage Survey after identifying an administrative source for comparable data.

Annual Projected Cold Storage Response Burden for 2016 - 2018							
Survey	Sample Size	Waves of Data Collection	Responses				Nonresp. Count
			Resp. Count	Waves x Count	Min./Resp.	Burden Hours	
Capacity Survey	(1,150)		(996)	(274)		44	(176)
Monthly Voluntary	-		-	-		-	-
Monthly Mandatory	(25)		(25)	(300)		(75)	-
<b>Adjustment Totals</b>	(1,175)	-	(1,021)	(574)	-	(31)	(176)
Apple Storage - Discontinued	(100)		(85)	(1,020)		(170)	(15)
<b>Program Change Totals</b>	(100)	-	(85)	(1,020)	-	(170)	(15)
Totals	(1,275)		(1,106)	(1,594)	-	(201)	(191)

Changes Due To:							
Adjustments	Sample Size	Response Count	Waves X Count	Burden Hours	Response Count	Waves X Count	Burden Hours
Voluntary Surveys							
Capacity	(1,150)	(996)	(274)	44			
Monthly Storage	-						
Mandatory Surveys							

16. **For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

The Refrigerated Storage Capacity Survey is conducted October 1 of every odd numbered year to determine the total number of facilities and the amount of refrigerated and freezer space on a state and national basis. The *Capacity of Refrigerated Warehouses* report is issued the following January.

For the monthly Cold Storage Survey, data collection begins around the 24<sup>th</sup> and ends around the last day of each month. Data is analyzed, then tabulated and released around the 22<sup>nd</sup> of the following month in the *Cold Storage* report. This report provides stocks data for approximately 100 frozen food items. National totals are provided for all food items and regional totals for many items. A *Cold Storage Annual Summary* for the preceding year is also published in late February.

For publication, NASS follows the confidentiality rules established for the Census of Agriculture. In order to publish an item total there must be at least two operations that report data for that item and no operation can account for 70% or more of the total.

*Capacity of Refrigerated Warehouses:*

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1424>

*Monthly Cold Storage:*

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1034>

*Annual Cold Storage Summary:*

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1416>

- 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.

February, 2016