

**2016 SUPPORTING STATEMENT**  
**for**  
**SOYBEAN AND BEEF RESEARCH AND PROMOTION;**  
**PRODUCER REDIRECTION OF CHECKOFF ASSESSMENTS FORM**  
**OMB NO. 0581-NEW**

**(Proposed Rule)**

**NOTE TO REVIEWER:** Upon approval of this collection, AMS will submit a Justification Request to merge this collection into the currently approved OMB No. 0581-0093, National Research, Promotion, and Consumer Information Programs.

**A. Justification.**

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

Congress has delegated to the U.S. Department of Agriculture (USDA) the responsibility for implementing and overseeing research and promotion (R&P) programs for a variety of commodities, including soybeans and beef. These programs are established under legislation. The enabling legislation for the soybean research and promotion program is the Soybean Promotion, Research, and Consumer Information Act (7 U.S.C. 6301-6311). The enabling legislation for the beef research and promotion program is the Beef Promotion and Research Act of 1985 (7 U.S.C. 2901-2911).

These R&P programs carry out projects relating to research, consumer information, advertising, sales promotion, producer information, market development, and product research to assist, improve, or promote the marketing, distribution, and utilization of their respective commodities. The programs are funded and directed by industry boards whose members are appointed by the Secretary of Agriculture, who also approves the boards' budgets, plans, and projects. The latter responsibility has been delegated to the Agricultural Marketing Service (AMS). The funding for these programs is industry-specific, with assessments generating from deductions from sales by producers and importers. AMS' objective in carrying out this responsibility is to assure the following: (1) assessment funds are collected and properly accounted for; (2) expenditures of funds are for the purposes authorized by the enabling legislation; and (3) the boards' administration of the programs conforms to legislation and USDA policy. AMS' Livestock, Poultry, and Seed Program has direct oversight of the soybean and beef R&P programs. The appointed boards are responsible for collecting assessments from the persons covered under and subject to these programs. In order to carry out their responsibilities, these programs require the

use of forms covered under OMB No. 0581-0093. However, to provide certain producers with added flexibility of whether their assessments remain in the State in which they were collected or are redirected to the national board, forms described in item 2 below are required.

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 orders and regulations governing the soybean and beef R&P programs authorize the boards to collect and submit certain information as required. The information will be used by certain soybean and beef producers who seek a redirection of their assessments; the United Soybean Board (Soybean Board) and the Cattlemen's Beef Promotion and Research Board (Beef Board), the boards that administer the soybean and beef programs, respectively; and the Qualified State Soybean Boards (QSSBs) and Qualified State Beef Councils (QSBCs), the organizations that administer the State soybean and beef programs.

AMS developed forms needed to effectively carry out the regulatory action that would authorize producers to request a redirection of their assessment funds to the national program.

**QSSB-1 PRODUCER REDIRECTION OF CHECKOFF ASSESSMENT FORM**

The purpose of the form will be used by certain soybean producers who seek a redirection of their assessments.

**QSBC-1 PRODUCER REDIRECTION OF CHECKOFF ASSESSMENT FORM**

The purpose of the form will be used by certain beef producers who seek a redirection of their assessments.

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.**

Upon approval, the forms will become part of the AMS Integrated e-Government Report. As with other research and promotion forms, QSBC-1 and QSSB-1 will be submitted directly to the applicable research and promotion board. These boards are not part of a Federal agency, but are industry commodity boards that operate under Federal authority and oversight. Therefore, the provision of an electronic submission alternative is not required by the Government Paperwork Elimination Act. In addition, it is determined that QSBC-1 and QSSB-1 will not be made available for electronic submission due to logistical constraints of having funds moved from a State organization to the national program. The form will be made available in a .pdf fillable format located on the AMS and boards' Web sites, allowing users to fill in and print off a copy to submit by fax or mail to the appropriate committee or board. A hard copy version is also available through the committee or board for users without Internet access.

**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 required information is not available from any other source because it relates specifically to producers of cattle and soybean to voluntary use the "CBB Producer Redirection of Checkoff Assessment" and "QSSB Producer Redirection of Checkoff Assessment" forms to request, under certain circumstances, that their assessments paid to a State board or council authorized under their respective statutes, be redirected to the national program.

**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.**

The Small Business Administration defines, 13 CFR part 121.201, small agricultural producers as those having annual receipts of less than \$750,000. Under these definitions, the majority of producers that would be affected are considered small entities. We have estimated the number of respondents for this collection to be 30, and we estimate that 30 are considered small businesses.

The information collection requirements contained in this submission are voluntary. Soybean and beef producers would only complete forms if they chose to seek flexibility in whether a portion of their assessments remained with a QSSB or QSBC that collected their assessments or whether that portion should be redirected to the national Soybean Board or Beef Board. These forms require only a minimal amount of information, which can be supplied without data

processing equipment or outside technical expertise. The data used to complete these forms is routine in all business transactions.

**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.**

There would be no consequences to federal oversight of the soybean and beef R&P programs. The consequence to soybean and beef producers would be an inability to seek redirection of their assessments from a State program to the national board. The assessment will be collected at the time the producer redirects the assessment to prevent a financial burden on the QSSBs and QSBCs, to prevent retroactive assessment redirection, and to ensure that the entire assessment due under the legislation was collected.

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

- **REQUIRING RESPONDENTS TO REPORT INFORMATION TO THE AGENCY MORE OFTEN THAN QUARTERLY;**
- **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 CONTRACTGRANT-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 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**
- **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 such special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 CFR part 1320.

- 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 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.**

A proposed rule was published in the *Federal Register* on July 15, 2016, Vol. 81, No. 136, pages 45984 – 45992 describing the information gathering requirements, and also providing a 60-day comment period. During these times, interested members of the public will have the opportunity to provide AMS with their input concerning the usefulness, legitimacy, and merit of the information collection activities AMS is proposing.

- **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.**

There are no obstacles to consulting with industry members who must submit information to these boards. AMS has consulted with staff from the following boards on this new collection:

Cattlemen's Beef Promotion and Research Board; 9000 East Nichols Avenue, Suite 215; Centennial, Colorado 80112; (303) 220-9890.

United Soybean Board; 16305 Swingley Ridge Road, Suite 150; Chesterfield, Missouri 63017; (636) 530-1777.

In addition, the Beef Board has consulted with several QSBCs. Topics discussed with both the boards and QSBCs included the forms' design, frequency of collection, timeframes, instructions, and data elements.

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

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.**

To assist the boards and the Secretary in the collection of proper information, the Beef Promotion and Research Order and the Soybean Promotion, Research, and Consumer Information Order provide that producers, QSSBs and QSBCs shall maintain and make available for inspection by the Secretary and the boards such books and records prescribed by the orders. The orders each provide specifically that all information obtained from those books and records or from reports filed under the orders shall be kept confidential by those having the information. In addition, the orders provide for fines, imprisonment, and removal from office for employees of the USDA or the board convicted of violating the confidentiality provisions of these orders as directed by 7 CFR part 1260.620 and 7 CFR part 1220.624.

The various acts governing the programs provide that information acquired from respondents will be kept confidential. Reports submitted to the boards, councils, or in some cases another party designated by a board or council are accessible only by appropriate board or council (or designated party) staff and certain USDA employees, most of whom are in Washington, D.C. Industry members of the boards and councils do not have access to any party's reports or assessment records. The board and council (or designated party) staffs, as well as USDA staff, are aware of the penalties for violating confidentiality requirements, which could include a fine, imprisonment, and removal from office.

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.**

No questions of a sensitive nature are included on these forms.

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.**

Estimates of the burden of collection of information have been summarized on AMS Form 71, enclosed. The respondents' estimated annual cost in providing information to the boards, councils, or party designated by a board or council is \$82.17. This total has been estimated by multiplying 2.49 total burden hours (30 respondents at 5 minutes per response) by \$33, a rate deemed to be reasonable should the respondents be compensated for their time.

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

- **THE COST ESTIMATE SHOULD BE SPLIT INTO TWO COMPONENTS: (a) A TOTAL CAPITAL AND START-UP COST COMPONENT (ANNUALIZED OVER ITS EXPECTED USEFUL LIFE); AND (b) A TOTAL OPERATION AND MAINTENANCE AND PURCHASE OF SERVICES COMPONENT. THE ESTIMATES SHOULD TAKE INTO ACCOUNT COSTS ASSOCIATED WITH GENERATING, MAINTAINING, AND DISCLOSING OR PROVIDING THE INFORMATION. INCLUDE DESCRIPTIONS OF METHODS USED TO ESTIMATE MAJOR COST FACTORS INCLUDING SYSTEM AND TECHNOLOGY ACQUISITION, EXPECTED USEFUL LIFE OF CAPITAL EQUIPMENT, THE DISCOUNT RATE(S), AND THE TIME PERIOD OVER WHICH COSTS WILL BE INCURRED. CAPITAL AND START-UP COSTS INCLUDE, AMONG OTHER ITEMS, PREPARATIONS FOR COLLECTING INFORMATION SUCH AS PURCHASING COMPUTERS AND SOFTWARE; MONITORING, SAMPLING, DRILLING AND TESTING EQUIPMENT; AND RECORD STORAGE FACILITIES.**
- **IF COST ESTIMATES ARE EXPECTED TO VARY WIDELY, AGENCIES SHOULD PRESENT RANGES OF COST BURDENS AND EXPLAIN THE REASONS FOR THE VARIANCE. THE COST OF PURCHASING OR CONTRACTING OUT**



**INFORMATION COLLECTION SERVICES SHOULD BE A PART OF THIS COST BURDEN ESTIMATE. IN DEVELOPING COST BURDEN ESTIMATES, AGENCIES MAY CONSULT WITH A SAMPLE OF RESPONDENTS (FEWER THAN 10), UTILIZE THE 60-DAY PRE-OMB SUBMISSION PUBLIC COMMENT PROCESS AND USE EXISTING ECONOMIC OR REGULATORY IMPACT ANALYSIS ASSOCIATED WITH THE RULEMAKING CONTAINING THE INFORMATION COLLECTION, AS APPROPRIATE.**

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

There are no capital, startup, operation, or maintenance costs associated with these programs.

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.**

There are no additional costs associated with this information collection. Boards, councils, or a party designated by a board or council will process the form using assessment funds. By law, the federal government does not bear any cost for overseeing research and promotion programs. All costs to the government are reimbursed by the boards and councils.

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

This is a new collection and will eventually be merged into the information

collection approved under 0581-0093. The burden results from the creation of two forms that will provide soybean and beef producers with additional flexibility about whether their assessments remain with QSSBs or QSBCs or are redirected to the national boards. (See the AMS-71)

<u>REG. NO.</u>	<u>REASON</u>	<u>PREVIOUS BURDEN</u>	<u>NEW BURDEN</u>	<u>DIFFERENCE</u>	<u>TYPE OF CHANGE</u>
1260.181	New regulation	0	1.66	1.66	PC
1220.228	New regulation	0	0.83	0.83	PC

PC = Program Change

A = Adjustment

- 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.**

Periodically, the Agency or the boards may be asked for information concerning the amount of assessments that have been redirected from the State programs. Any of the data obtained from this information collection would be published in the aggregate so as not to identify an individual entity. Using totals, as opposed to individual information is common practice for reporting industry statistics. For example, USDA's National Agricultural Statistics Service uses similar policies. There are no complex analytical techniques that would be applied to this data.

- 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.**

Approval is requested to not display the expiration date of OMB approval on the forms that will be used to collect information. The forms will be used by QSSBs and QSBCs that might provide the forms to producers without electronic access to forms. It would be costly to the boards, QSSBs and QSBCs to destroy inventories of forms displaying an obsolete date and burdensome and time-consuming for the boards to manually alter an obsolete date and ensure that all QSSBs and QSBCs have the updated version. Moreover, displaying the date on similar forms has historically created confusion among respondents who

believe their responses are valid through the expiration date instead of for the time period indicated.

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

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

**B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**

- **THE AGENCY SHOULD BE PREPARED TO JUSTIFY ITS DECISION NOT TO USE STATISTICAL METHODS IN ANY CASE WHERE SUCH METHODS MIGHT REDUCE BURDEN OR IMPROVE ACCURACY OF RESULTS. WHEN ITEM 17 ON THE FORM 83-I IS CHECKED "YES", THE FOLLOWING DOCUMENTATION SHOULD BE INCLUDED IN THE SUPPORTING STATEMENT TO THE EXTENT THAT IT APPLIES TO THE METHODS PROPOSED.**

This information collection does not employ statistical methods.