

DEPARTMENT OF THE TREASURY
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU
Supporting Statement -- Information Collection Request
OMB Control Number 1513-0127

Information Collection Request Title:

Petitions to Establish or Modify American Viticultural Areas.

A. Justification

1. What are the circumstances that make this collection of information necessary, and what legal or administrative requirements necessitate the collection? Also align the information collection to TTB's Line of Business/Sub-function and IT Investment, if one is used.

The Federal Alcohol Administration Act (FAA Act), at 27 U.S.C. 205(e), authorizes the Secretary of the Treasury to prescribe regulations for the labeling of wine, distilled spirits, and malt beverages. The FAA Act provides that these regulations should, among other things, prohibit consumer deception and the use of misleading statements on labels and ensure that labels provide the consumer with adequate information as to the identity and quality of the product. The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the FAA Act and its related regulations pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary also has delegated various authorities to administer and enforce the FAA Act to the TTB Administrator through Treasury Department Order 120-01.

Under the authority of the FAA Act at 27 U.S.C. 205(e), the TTB regulations in 27 CFR Part 4, Wine, authorize TTB to establish definitive viticultural areas and govern the use of their names as appellations of origin on wine labels and in wine advertisements. The TTB regulations in 27 CFR Part 9, American Viticultural Areas, set forth the standards for the preparation and submission of petitions from the public requesting the establishment or modification of American viticultural areas (AVAs), and it lists and describes the boundaries of all established AVAs. Specifically, regarding the preparation and submission of AVA petitions, § 9.11 describes how and where to submit an AVA petition, and § 9.12 describes "the evidentiary materials and other information" that must be included in an AVA petition. (Sections 9.13 and 9.14 describe TTB's processing of AVA petitions and the AVA rulemaking process.)

This information collection is aligned with:

Line of Business/Sub-function: General Government/Taxation Management.

IT Investment: None.

2. *How, by whom, and for what purpose is this information used?*

TTB's Regulations and Rulings Division evaluates the information contained in an AVA petition to determine whether or not to proceed to rulemaking to establish a new AVA or to modify an existing AVA.

3. *To what extent does this collection of information involve the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology? What consideration is given to use information technology to reduce burden?*

There is no standard format for an AVA petition document. Because of the various sources of information that must be submitted by the petitioner, including United States Geological Survey maps, the submission of an AVA petition does not lend itself to automation at this time.

4. *What efforts are used to identify duplication? Can similar information already available be used or modified for use for the purposes described in Item 2 above?*

The collected information is unique to each AVA petition and is not requested or available elsewhere. Accordingly, efforts to identify duplication are not applicable to this information collection.

5. *If this collection of information impacts small businesses or other small entities, what methods are used to minimize burden?*

TTB believes that the information it requires in an AVA petition is the minimum necessary for the Bureau to determine whether or not to proceed to the petitioned-for AVA rulemaking. Therefore, reduced requirements solely for small businesses are not appropriate for this information collection. TTB also notes that there is no fee for filing an AVA petition and that the use of attorneys or other paid consultants by a petitioner is not required or necessary to submit a successful AVA petition to the Bureau.

6. *What consequences to Federal program or policy activities and what, if any, technical or legal obstacles to reducing burden will occur if this collection is not conducted or is conducted less frequently?*

This collection of information only occurs when a member of the public (or a group) voluntarily petitions TTB to establish a new AVA or modify an existing AVA. As such, AVA petitions cannot be collected less frequently, and not collecting the information required in AVA petitions would leave TTB unable to determine if it should engage in rulemaking that members of the public wish TTB to undertake.

7. *Are there any special circumstances associated with this information collection that would require it to be conducted in a manner inconsistent with OMB guidelines?*

There are no special circumstances associated with this information collection.

8. *What effort was made to notify the general public about this collection of information? Summarize the public comments that were received and describe the action taken by the agency in response to those comments.*

To solicit comments from the general public, TTB published a “60-day” comment request notice for this information collection in the Federal Register on May 13, 2016, beginning at 81 FR 29950. TTB received no comments on this information collection in response.

9. *Was any payment or gift given to respondents, other than remuneration of contractors or grantees? If so, why?*

No payment or gift is associated with this collection.

10. *What assurance of confidentiality was provided to respondents, and what was the basis for the assurance in statute, regulations, or agency policy?*

No specific assurance of confidentiality is provided for AVA petitions received by TTB, and petitions for rulemaking are part of the public record. AVA petitions accepted for rulemaking became part of the rulemaking docket and are posted for public viewing on the Federal government’s e-rulemaking website, Regulations.gov (www.regulations.gov), along with the related notice of proposed rulemaking.

11. *What is the justification for questions of a sensitive nature? If personally identifiable information (PII) is being collected in an electronic system, identify the Privacy Impact Assessment (PIA) that has been conducted for the information collected under this request and/or the Privacy Act System of Records notice (SORN) issued for the electronic system in which the PII is being stored.*

This information collection contains no questions of a sensitive nature. In addition, this information collection does not collect personally identifiable information (PII) in an electronic system. Therefore, no Privacy Impact Assessment (PIA) or System of Records Notice (SORN) is required for this collection.

12. *What is the estimated hour burden of this collection of information?*

Based on recent experience, TTB estimates that 15 respondents will file one AVA petition per year. TTB estimates that these AVA petitions require an average of 130 hours to complete, for a total estimated annual burden of 1,950 hours for this information collection.

(15 respondents X 1 annual response = 15 total annual responses X 130 hours per response = 1,950 total estimated annual burden hours).

13. What is the estimated annual cost burden to respondents or record keepers resulting from this information collection request (excluding the value of the hour burden in Question 12 above)?

TTB estimates the cost to a respondent to complete and file an AVA petition as shown below. TTB notes that the use of paid consultants in the preparation of an AVA petition is at the petitioner's option.

110 hours (petitioner) @ \$20/hour	\$ 2,200
20 hours (consultant) @ \$50/hour	1,000
USGS maps	60
Postage	15
Total Cost per Petition	3,275
Total Cost for this Information Collection	\$ 49,125

14. What is the annualized cost to the Federal Government?

Estimates of annual costs to the Federal Government related to this information collection are as follows:

Evaluation of AVA petitions by TTB staff member	\$ 98,000
Supervisory and legal review of the resulting AVA rulemaking documents	24,000
Publication of the resulting AVA rulemaking documents	37,000
TOTAL COSTS	\$ 159,000

15. What is the reason for any program changes or adjustments reported?

There are no program changes associated with this collection.

As adjustments, we are reporting an increase in the number of respondents and annual burden hours due to the growth in the number of AVA petitions received by TTB, from 11 to 15 petitions per year. This results in an increase in the estimate annual burden hours from 1,430 to 1,950.

In addition, we are modifying the title of this information collection to more clearly reflect its purpose (from "Petition for the Establishment of an American Viticultural Area" to "Petitions to Establish or Modify American Viticultural Areas").

16. Outline plans for tabulation and publication for collections of information whose results will be published.

AVA petitions are requests for rulemaking. As such, petitions accepted by TTB result in the creation of a rulemaking docket on the Federal government's e-rulemaking website, Regulations.gov (www.regulation.gov), and a copy of the accepted petition is placed within that docket for public viewing upon the publication of the requested notice of proposed rulemaking. Rejected petitions are not published and are returned to the petitioner.

17. If seeking approval to not display the expiration date for OMB approval of this information collection, what are the reasons that the display would be inappropriate?

This information collection consists of a petition for AVA rulemaking submitted by a member or members of the public. There is no prescribed TTB form for this collection, and, as such, there is no medium for TTB to display the OMB approval expiration date.

18. What are the exceptions to the certification statement?

- (c) See item 5 above.
- (f) This is not a recordkeeping requirement.
- (i) No statistics are involved.
- (j) See item 3 above.

B. Collections of Information Employing Statistical Methods.

This collection does not employ statistical methods.