

## 2017 SUPPORTING STATEMENT

### COTTON CLASSING, TESTING, AND STANDARDS OMB NO. 0581- 0008

**TERMS OF CLEARANCE:** AMS will need to display the expiration date on all their forms.

The impact of the expiration date requirement on administrative and regulatory forms for the programs can adversely affect the operation and enforcement of the statutes. Inadvertent use of a form with an expired expiration date poses an opportunity for those looking for a means of disruption to challenge paying for services rendered, the validity of the collection of information, or legal requirement imposed by regulations or statutes.

#### **A. Justification.**

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

The U.S. Cotton Standards Act, 7 U.S.C. 51, 53, and 55, directs and authorizes the USDA to supervise the various activities directly associated with the classification or grading of cotton, cotton linters, and cottonseed based on official USDA Standards. The Cotton and Tobacco Program of the Agricultural Marketing Service carry out this supervision and are responsible for the maintenance of the functions to which these forms relate.

- 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.**

Form FD-210 (formerly CN-357) is submitted by owners of cotton to request cotton classification services. The request contains information for USDA to ascertain proper ownership of the samples submitted, distribute classification results, and bill for services. Information about the origin and handling of the cotton is necessary in order to properly evaluate and classify the samples.

Form CN-246 is submitted by cotton gins and warehouses seeking to serve as licensed samplers. The license period is 5 years. Licenses issued by the USDA, AMS, Cotton and Tobacco Program authorize the

warehouse/gin to draw and submit samples to insure the proper application of standards in the classification of cotton and to prevent deception in their use.

Form CN-383 is a package of forms designated as CN-383-a through CN-383-k which is submitted by cotton producers, ginners, warehouseman, cooperatives, manufacturers, merchants, and crushers interested in acquiring cotton classification standards and round testing services. Forms CN-383-a,b,c,d,h,i and k are used for ordering cotton classification standards. Forms CN-383-e,f,g and j are used for ordering round testing services. For the round testing services, additional data sheets are produced and provided by USDA for the purpose of collecting test data. Since the last information collection renewal, on form 383A, the ranges of values for the cotton were replaced by Xs due to slight changes that occur in the range of cotton values as the agency procures cottons and establishes values. On form 383D, details were added to show the availability of Upland and Pima Leaf Guide Books (these are physical cotton guide books) on item M4. These slight modifications do not change the burden.

**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.**

AMS is committed to complying with the E-Government Act to promote the use of the Internet and other information technologies to provide increased opportunities for citizens to access government information and services and for other purposes.

Applicable forms are in PDF format and posted on the Internet allowing the public the option of electronic access. If the public chooses, applicable electronic forms may be submitted electronically or can be printed and submitted. Note that there are several of these forms are not currently used by industry. For instance, form 383G (CSTIC Round Test participation) is used internally to record cotton classing office participation, but industry customers register/pay for participation in that program through International Cotton Advisory Committee, not USDA. Also, CN-383J (Level Assessment) is for a program that has been

conducted through USDA/AMS, Cotton and Tobacco Program and not currently be conducted for the industry; however, if that changes, it will be posted on the site below.

Here are the URLs for the forms:

CN-246: <http://eforms.ams.usda.gov/metastormpdf/cn246/>

FD-210: <http://eforms.ams.usda.gov/metastormpdf/fd210/>

CN-383 Forms:

<http://www.ams.usda.gov/AMSV1.0/ams.fetchTemplateData.do?template=TemplateC&navID=cottonorderstds&rightNav1=cottonorderstds&topNav=&leftNav=CommodityAreas&page=CNStandardsOrderForms&resultType=&acct=cgeninfo>

**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 Department of Agriculture is the only Federal agency authorized to establish and promote the use of the official cotton standards of the U.S. in interstate and foreign commerce and to supervise the various activities associated with the classification or grading of cotton, cotton linters, and cottonseed based on official USDA standards. The information submitted in response to the administration of this program is not a duplication of other information, nor is any similar information available elsewhere.

**5. IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES (ITEM 5 OF THE OMB FORM 83-1), DESCRIBE THE METHODS USED TO MINIMIZE BURDEN.**

Only the minimum amount of information necessary to effectively administer the program is solicited. The forms are designed to require mostly checks in boxes rather than written information. The 1,002 respondents compose both large and small businesses, including international customers. The information gathered is the same for both small and large entities and has no significant impact on small businesses. Of the 1,002 respondents, approximately 75 percent of those would be international. There is no way to gauge the status as being a small business concern since every country has its own guidelines as to what constitutes a small business. For the remaining 25 percent

(domestic customers) we would estimate 20 percent or 50 respondents to be termed 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 frequency of the information collection requests is determined solely by the customers' needs and requirements. If this information were not collected or collected less frequently, Federal services could not be provided as authorized by the U.S. Cotton Standards Act.

**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;**
- **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 CONTRACT, GRANT-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 STATUE 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 special circumstances. The collection of information is conducted in a manner consistent with guidelines in 5 CFR 1320.6.

- 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 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. SPECIFICALLY ADDRESS COMMENTS RECEIVED ON COST AND HOUR BURDEN.**

The notice was published in the Federal Register on October 21, 2016, Volume 81, No. 204, page 72773. No comments were received.

**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.**

The three forms discussed are a request form, application for license, and order form, respectively. The Cotton and Tobacco Program periodically consults with outside entities requesting service through the forms to verify that the methods and forms used are adequate for meeting their needs. If further information is needed regarding the effectiveness of the forms, one or more of the following people may be contacted. Note that these are the same as the previous information collection. These contacts are active in the industry, and the Cotton and Tobacco Program routinely contacts them because they represent the different segments of the cotton industry and request Cotton and Tobacco Program services.

Ms. Monique Coronett  
Uster Technologies, Inc.  
(865) 588-9716

Mr. Dickson Wang/ Mr. Anthony Stollings  
Allenberg Cotton Co.  
(901) 383-5100

Mr. Brad Dantone  
Cargill Cotton  
(901) 937-4500

**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.**

Confidentiality of information furnished by individual establishments is assured by the Cotton Statistics and Estimates Act (7 USC 472). There has never been a breach of this confidentiality.

**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.**

Questions of a sensitive nature are not found in this information collection.

**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 83.1.**
- **PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOUR BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES. THE COST OF CONTRACTING OUT OR PAYING OUTSIDE PARTIES FOR INFORMATION COLLECTION ACTIVITIES SHOULD NOT BE INCLUDED HERE. INSTEAD, THIS COST SHOULD BE INCLUDED IN ITEM 14.**

Estimates of the burden of information collection have been summarized on the AMS-71, enclosed.

The respondents' estimated annual cost of providing information to the Committees/Boards is \$5,945.76. This total has been

estimated by multiplying 144 (total burden hours) by \$41.29, the average mean hourly earnings of private, other management occupations for farmers, ranchers and other agricultural managers.

The hourly wages as quoted above, were obtained from the U.S. Department of Labor, Bureau of Labor Statistics News Release, "Occupational Employment and Wages, May 2015," published March 30, 2016 (USDOL 16-0661). This publication can be found at the following website:

<http://www.bls.gov/news.release/pdf/ocwage.pdf>.

**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/start-up or ongoing operations/maintenance costs associated with this information collection.

- 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.**

The estimated annual cost to the Federal Government, which includes salaries, benefits, rent, communication, utilities, supplies, etc., to administer this regulation is \$1,160,000. The cost was developed by estimating the number of hours that the Agency employees will spend providing various activities directly associated with the classification or grading of cotton, cotton linters, and cotton seed based on official USDA standards.

**Estimated Annual Cost to Federal Government for FY 2017:**

Salaries and benefits for 13 WG-1 through GS-14 employees	\$866,200
Rent Communications & Utilities	\$241,600
Transportation of things and printing	\$500

Supplies and materials	\$49,200
Equipment	\$2,500
<b>Total</b>	<b>\$1,160,000</b>

**15. EXPLAIN THE REASON FOR ANY PROGRAM CHANGES OR ADJUSTMENTS REPORTED IN ITEMS 13 OR 14 OF THE OMB FORM 83-1.**

The explanation of the adjustments are below, which shows a total increase since the last submission of 3 hours (rounded)

<u>REG. NO.</u>	<u>REASON</u>	<u>PREVIOUS BURDEN</u>	<u>NEW BURDEN</u>	<u>DIFFERENCE</u>	<u>TYPE OF CHANGE</u>
28.51	DEC. in respondents CN-383-A	10.50 hrs.	8.60 hrs.	-1.90 hrs.	ADJ
28.51	INC. in respondents CN-383-B	7.08 hrs.	7.83 hrs.	+0.75 hrs.	ADJ
28.51	DEC. in respondents CN-383-C	8.75 hrs.	6.25 hrs.	-2.5 hrs.	ADJ
28.51	INC. in respondents CN-383-D	5.04 hrs.	11.88 hrs.	+6.84 hrs.	ADJ
28.51	DEC. in respondents CN-383-E	2.25 hrs.	1.20 hrs.	-1.05 hrs.	ADJ
28.51	INC. in respondents CN-383-F	0.25 hrs.	0.55 hrs.	+0.30 hrs.	ADJ
28.51	DEC. in respondents CN-383-H	0.75 hrs.	0.25 hrs.	-0.50 hrs.	ADJ
28.51	INC. in respondents CN-383-I	1.08 hrs.	1.94 hrs.	+0.86 hrs.	ADJ
28.51	DEC. in respondents CN-383-J	0.35 hrs.	0.00 hrs.	-0.35 hrs.	ADJ
28.51	INC. in respondents CN-383-K	0.25 hrs.	0.90 hrs.	+0.65 hrs.	ADJ
<b>TOTAL</b>				<b>+3.1 hrs.</b>	

PC = Program Change

ADJ = 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.**

Information collections are not published.

- 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.**

The impact of the expiration date requirement on administrative and regulatory forms for the programs can adversely affect the operation and enforcement of the statutes. Inadvertent use of a form with an expired expiration date poses an opportunity for those looking for a means of disruption to challenge paying for services rendered, the validity of the collection of information, or legal requirement imposed by regulations or statutes.

- 18. EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19, "CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS," OF OMB FORM 83-1.**

The agency is able to certify compliance with all provisions under Item 19 of OMB Form 83-1.

**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 OMB 83-1 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.