

**U.S. Department of Agriculture
Farm Service Agency
Supporting Statement
OMB Number 0560-0004
Report of Acreage, 7 CFR PARTS 718 and 1437**

Purpose:

The purpose of this document is to request a revision of a currently approved information collection 0560-0004 - Report of Acreage due to MIDAS. The “Modernize and Innovate the Delivery of Agricultural Systems”(MIDAS) is FSA’s initiative to improve the delivery of FSA farm program benefits and services through the reengineering of farm program business processes and the adoption of enhanced and modernized information technology. FSA is not collecting any new information on the FSA-578. However, the Report of Acreage form is being revised for more efficient data entry in MIDAS. Producers will no longer be required to provide certain additional information with the form that will reduce the burden hours in this information collection. The producers will only need to report to one county office instead of each administrative county office due to MIDAS. Therefore, FSA expects a reduction in the annual total burden hours for collection of the information.

Note: Acreage Crop Reporting Streamlining Initiative (ACRSI) is an additional Department initiative to further streamline acreage reporting between USDA Agencies. After ACRSI is implemented, FSA expects changes to the estimated burden hours that will result in reductions in this information collection, and it will be submitted to OMB for an approval.

Justification:

1. Explain the circumstances that make the information collection necessary. Include identification of any legal or administrative requirements that necessitate the collection.

7 U.S.C. 7333 (b)(3) specifically requires, for crops and commodities covered by the Noninsured Crop Disaster Assistance Program (NAP), annual reports of acreage planted and prevented from being planted must be reported, as required by the Secretary, by the designated acreage reporting date for the crop and location as established by the Secretary. 7 CFR 1437.7 states for those eligible crops and commodities for which it is impractical, as determined by CCC, to report crop acreage, etc., such as ornamental nursery, aquaculture, etc., producers must, in addition to the applicable records required under 7 CFR 1437, maintain records uniquely practical to the specific crop or commodity.

In order to establish annual eligibility for NAP, a minimal amount of information about a producer’s farming operation is required. This information is subsequently used to ensure compliance with program provisions, to determine actual production histories, and when a disaster occurs, to verify crop loss. Respondents must provide the information each year because variables such as previous year experiences, weather occurrences and projections, market demand, new farming techniques, and personal preference affect the amount of land being farmed, the mix of crops planted, and the projected harvest. Prior year information while useful is not sufficient on its own. Therefore, respondents must supply current data on a program year basis by the final reporting date established for their county to qualify for NAP assistance.

Once the information has been collected and eligibility established, the information is used throughout the program year to ensure the producer remains compliant with program provisions. The information collected serves as the primary means of maintaining program integrity. In monitoring compliance, FSA can compare acreage data provided by respondents with annual aerial imagery and ground compliance activities to determine the accuracy of the data. It is important that acreage be as accurate as possible to ensure excess assistance is not disbursed.

2. How, by whom, and for what purpose is the information used, and the consequence to the Federal program or policy activities if the collection of information was not conducted.

Purpose and from whom will the information be collected: Crop, commodity, and acreage information is the foundation for implementation of NAP. This collection, commonly referred to as the report of acreage, is conducted on a program year basis. It is used to identify eligible crops and commodities for which a NAP Application for Coverage (CCC-471, OMB 0560-0175), has been filed. It is available to producers for hundreds of crops grown for food and fiber for which Federal crop insurance is not available. Also included are floriculture, ornamental nursery, Christmas trees, turfgrass sod, seed crops, aquaculture (including ornamental fish), sea oats and sea grass, and industrial crops. NAP payments are made to eligible producers when 1) individual crop losses are in excess of 50 percent of the individual's approved yield; or 2) the producer is prevented from planting more than 35 percent of the acreage intended for the eligible crop.

To ensure statutory criteria are met, information on the crop acreage is necessary, regardless of whether the crop acreage or commodity suffered a loss. The statute specifies that the Secretary shall determine NAP benefits using the actual production history (APH). The statute provides that if the market value or yield for different types and varieties of a crop are significantly different, then each type and variety may have a separate APH established and each type and variety may be considered a separate crop. Each payment is calculated based on this information.

An approved yield is annually calculated using a minimum of 4, up to a maximum of 10, program years APH. Previous crop year data is retrieved from the database for calculation purposes.

How frequently will the information be collected: If there is only one planting and harvesting on the same acreage during the program year, the information is collected once by the Nationally-established acreage reporting date. Where there are multiple plantings and harvesting on the same acreage, information must be reported 15 days before the onset of harvest of the crop. Late-filed reports may be considered if crop residue exists.

How will the information be collected: The information is generally collected from the respondent during a personal visit to a FSA Service Center. It is up to the respondent to provide all applicable information and signed forms in a timely and accurate manner. The method of collection is not a statutory, regulatory, or procedural requirement, thus it could be collected via additional means.

The information can be collected through electronic transmission on the FSA-578 Manual for

producers as an option. The electronic form of FSA-578 Manual is available to the public at <http://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>.

Respondents review their digital maps or hard copy maps as a point of reference and provide the applicable information to the county office employee and the employee enters the information in the computer system, and a FSA-578 report is printed. The respondent reviews the FSA-578 for accuracy and signs it to certify its accuracy. Once the information is entered into the automated system, it is maintained in a central database where the necessary information can be retrieved and used to determine eligibility and monitor compliance.

What specific information is collected from the respondents:

Specific information includes:

- Identification of the crop (including type and variety), practices, intended uses, planting patterns such as 'skip rows', and for forage crops, the predominant species or type or variety of the vegetation.
- Date the crop was planted or planting was completed (including the age of the perennial crops).
- Number of acres of the eligible crop in the administrative county (for each planting in the event of multiple plantings) in which the respondent has a share.
- Crop status (including prevented, failed, volunteer, experimental, and double cropped)
- Number of acres intended but prevented from being planted.
- Number of acres planted but failed.
- Respondents share of the eligible crop at the time a NAP application for coverage was filed.
- Identity of all producers sharing in the crop.
- FSA farm serial number, tract and CLU number and/or location of commodities not necessarily associated with a farm, such as beehives for honey production, ponds and waterbeds for production of aquaculture, ornamental nursery and floriculture facilities, and trees for maple sap production.

Consequences if the information is not collected: A producer's failure to submit the statutorily required information by the established date may result in the denial of benefits. If information is not reported, FSA has no basis to calculate APH, losses could not be determined, and information for crop insurance expansion could not be provided to RMA.

3. Describe any consideration of the use of improved information technology to reduce burden and any technical or legal obstacles to reducing the burden.

The FSA is making every effort to reduce burden by using information technology.

Modernize and Innovate the Delivery of Agricultural Systems (MIDAS)

As a part of the FSA Modernize and Innovate the Delivery of Agricultural Systems (MIDAS), FSA is developing a web-based crop and commodity reporting environment in SAP's Customer Relationship Management (CRM) software in which the user works with integrated GIS to facilitate the crop and commodity reporting. This includes integrated map viewing and editing in which the user is able to associate the tabular crop and commodity information with the acreage/land area of interest.

This new technology will provide an integrated solution to crop and commodity reporting on FSA-578 directly linked to geographical locations. Currently, the FSA-578 tabular information and the GIS land and acreage information is maintained in separate systems. Integration will greatly reduce the burden of maintaining the information in separate systems and provide an easier method for the respondent to identify crop and commodity data associated with the location. Additionally, the time it takes to enter information in the automated system will decrease, further reducing the burden on FSA County Offices.

In 2011, FSA deployed the web-based Crop Acreage Reporting System (CARS). CARS is used to collect common crop and commodity information pertaining to agricultural land and land uses using tabular data. Additionally, Geographic Information System (GIS) functionality is used in parallel with CARS in locating, identifying and collecting acreage information.

CARS will continue to serve as the main system of entry and system of record when making determinations for program compliance, eligibility and payments until the new crop reporting system described below is implemented.

Comprehensive Information Management (CIMS)

The Farm Service Agency (FSA) and the Risk Management Agency (RMA) have jointly worked on the Comprehensive Information Management System (CIMS) project. CIMS provides a single, centralized repository of RMA and FSA information for use by authorized agencies and private industry partners to meet their program administration data needs. Data captured through CARS, and MIDAS when implemented, supports the CIMS project. The CIMS project seeks to support information requests, assist in timely identification of possible reporting errors, reduce fraud and abuse vulnerabilities, reduce costs associated with data collection, and improve overall program integrity in the respective agency programs.

CIMS demonstrates that by efficiently sharing FSA and RMA electronic acreage program data, the agencies will more effectively ensure program compliance, reduce program administration costs, and reduce the reporting burdens on producers.

4. Describe efforts to identify duplication.

Information collected under the NAP, DCP and other agency programs are not duplicated. County offices do not require or maintain separate reports of acreage for each program. A single report of acreage will include all acreage for all applicable programs. For example, the DCP respondents are required to report total farm cropland acreage. If the report includes crops for which a NAP application for coverage has been filed, the respondent is not required to duplicate reporting of the NAP acreage. Likewise, other agency program participants would not be required to duplicate reporting of acreage.

The implementation of CIMS allows for better sharing of program data between FSA and RMA and helps to eliminate duplicate reporting by producers. FSA and RMA share common customers. Currently, those customers are required to report specific information to both FSA

and RMA, through their agents. Much of the information reported to the FSA County offices and the RMA through the agent can be duplicative.

CIMS allows interface between FSA and RMA and provides the capability to share, transmit, and create reports from reported acreage on approved data of certain programs. The common components of CIMS will focus on the reporting of:

- Producer information
- Crop and acreage
- Production

Through CIMS, National, State, county FSA office employees, RMA and approved RMA insurance providers should use the applications Discovery Reports, when available to identify discrepancies and potential fraud, waste and abuse.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize the burden.

There are no additional reporting requirements created specifically for small businesses to meet the requirements.

6. Describe the consequence to the Federal program or policy activities if the collection were conducted less frequently.

NAP requires crop, commodity, and acreage information collection on a program year basis. Failure to collect the data on that basis would result in program overpayments through producer ineligibility, incorrect acres, or incorrect shares of the crop.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with the guidelines in 5 CFR Part 1320.6.

The acreage information collection is consistent with the guidelines in 5 CFR 1320.6.

8. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of the instructions and record keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

A Federal Register notice of intent to request a revision of a currently approved information collection and request for comments at 77 FR 74167 was published on December 31, 2012. One question was received via telephone, asking what was meant by “the producer will also no longer be required to provide certain additional information with the form...?” The caller was informed that it was related to the fact that the map will be integrated into the MIDAS system rather than FSA requiring a paper map to be filled out prior to data entry into the system. The completion of a manual map will be optional. This change would reduce redundancy and paperwork for the producers.

The following offices were directly contacted with no response or comment received:
The National Farmers,
The Union American Farm Bureau, and
The National Cotton Council.

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

There are no incentive payments or gifts provided to respondents who file a report of acreage.

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

Information collected is handled according to established FSA procedures implementing the Privacy Act, Freedom of Information Act, and OMB Circular 130, "Responsibilities for the Maintenance of Records about Individuals by Federal Agencies".

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, etc. that are commonly considered private.

Information of a sensitive nature is not requested.

12. Provide estimates of the burden.

The estimated annual number of respondents is 291,500.

The estimated number of responses per respondent is 1.5. The product of multiplying 291,500 times 1.5 equals 437,250 responses.

The estimated average travel time to and from the USDA Service Center is one hour. 291,500 times 1 hour equals 291,500 burden hours for travel.

The estimated average time to respond is .50 hours.
0.50 times 437,250 = 218,625 burden hours.
218,625 plus 291,500 equals 510,125 burden hours.

Respondent cost is 510,125 hours for completion of the form and travel to and from the county office times \$18.00 (average farm worker hourly wage). **Total annualized cost to respondents: \$9,182,250.**

13. Provide estimates of cost burden to respondents or record keepers.

There is no capital/startup cost associated with this information collection.

14. Provide estimates of annualized costs to the Federal Government

The cost of form development, printing and distribution is minimal because the form is computer generated. County employee cost is 218,625 hours for completion of the form times \$22.85 (average county employee hourly wage). **Total annualized cost to the Federal Government: \$4,995,581.**

15. Explain reasons for changes in burden, including the need for any increase.

The new burden hours in this request is 510,125. The burden is reduced by 109,313 hours (619,438 hours -510,125 hours). The program change of 109,313 is the result of MIDAS which is a new reengineered system in FSA. Due to MIDAS, the producers are no longer required to provide certain additional information with the form, and needed only to report to one county office instead of each administrative county office. The Report of Acreage form is also revised for more efficient data entry in MIDAS.

There are no changes to the numbers of respondents and annual response in this request, except that the respondent's average time to complete the form is changed from 45 to 30 minutes.

16. Are there any plans to publish the data collected for statistical use, outline plans for tabulation, statistical analysis and publication?

No publication of these individual collections is currently intended by FSA. A summarization of total planted acres of a crop is occasionally compiled by FSA for the agency's purposes of making program projections and analysis. NASS makes available acreage data obtained from FSA and producer surveys in annual reports.

17. Reason display of expiration date of OMB approval is inappropriate.

FSA is not requesting that the OMB expiration date not be displayed.

18. Exceptions to 83-1 certification statement.

The FSA is able to certify compliance with all provision under item 19 of OMB form 83-I

19. How is this information collection related to the Customer Service Center?

Services under its program are delivered by FSA through USDA Service Centers. The electronic form is available on the Internet to the respondents. County employees at Service Centers interact with the respondents as described in question 2.