2018 SUPPORTING STATEMENT
FOR
7 CFR 57
REGULATIONS FOR INSPECTION OF EGGS
OMB NO. 0581-0113

TERMS OF CLEARANCE: Pursuant to 5 CFR 1320, AMS must display the expiration date for this collection on the approved forms.
AMS requests approval not to display the expiration date on the forms associated with this information collection because having to do so would: (1) decrease the efficiency of the shell egg surveillance program; (2) be financially prohibitive to the agency; and (3) delay the use of the forms and cause confusion to the respondents.

A. Justification

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

Approval is requested under the Paperwork Reduction Act and 5 CFR Part 1320 for the collection of information and recordkeeping in 7 CFR Part 57, Regulations for Inspection of Eggs, and Forms LPS-76, LPS-155, LPS-156, LPS-157, LPS-518-1, and LPS-222.

Congress enacted the Egg Products Inspection Act (21 U.S.C. 1031-1056) (EPIA) to provide a mandatory inspection program to assure egg products are processed under sanitary conditions, are wholesome, unadulterated, and properly labeled; to control the disposition of dirty and checked shell eggs; to control unwholesome, adulterated, and inedible egg products and shell eggs that are unfit for human consumption; and to control the movement and disposition of imported shell eggs and inedible egg products that are unwholesome and inedible.

Section 14 of the EPIA requires and directs the Department to develop and issue regulations to carry out the purposes or provisions of the EPIA and

to be responsible for the administration and enforcement of the EPIA, except as otherwise provided. The regulations in 7 CFR Part 57, were developed under rulemaking procedures for these purposes. The regulations also provide requirements and guidelines, for the provider (USDA) and the user (industry) to use as a basis for common understanding. These regulations outline the information collection requirements needed to obtain compliance with the EPIA to control restricted eggs and inedible egg products (Sections 5(d) and 8 of the EPIA).

Section 11 of the EPIA requires shell egg handlers and others handling eggs and inedible egg products to maintain records. Section 5(d) requires the inspection of records and operations to assure that only wholesome eggs are used and to control the disposition of restricted shell eggs (checks, dirties, leakers, and inedible) that are unfit for human consumption.

The information collection and recordkeeping requirements in this request are essential to carry out the intent of Congress, to administer the mandatory inspection program, and to take regulatory action, in accordance with the regulations and the EPIA.

The information collection under the regulations and the EPIA affect approximately 470 shell egg processing plants; 266 hatcheries; 2 importers; 29 processors of inedible eggs and inedible egg products, users of these inedible products in pet food or animal feed, or for industrial purposes; and 22 State agencies and 1 U.S. Territory with cooperative agreements.

The recordkeeping affects approximately 470 shell egg processing plants, 266 hatcheries, 2 import shippers, and 29 processors or users of inedible eggs and inedible egg products.

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 information obtained from respondents or their records is used

only by authorized representatives of the USDA (AMS; Livestock, Poultry, and Seed Program's national staff; regional directors and their staffs; Federal-State supervisors and their staffs; and Federal-State inspectors, which includes the authorized State agencies). The Agency is the primary user of the information and the secondary user is each authorized State agency which has a cooperative agreement with AMS. The information is used to assure compliance with the EPIA and regulations and to take administrative and regulatory action. Additionally, the information is used in the annual report to Congress required by section 26 of the EPIA. Also, this information is used to develop and revise cooperative agreements with the States which conduct surveillance inspections of shell egg handlers and processors.

This collection of information serves the Agency mission, program objectives, and management needs in providing information on the efficiency and effectiveness of the program—whether the program meets the needs of the users and consumers; workload; areas where the workload may be fluctuating, requiring changes in field and supervisory staffing and travel; program and cost analyses; changes that may be needed in the program; evaluating the goals of the Agency; and review and evaluation of information collection. The information affects decisions because it is the basis for evaluating compliance with the EPIA, for administering the program, for many of the management decisions and planning, for the immediate and long-range staffing and program needs, and for establishing the cost of the program.

Since the Agency does not know what the respondent's wishes or needs are in many situations until asked, there is no other alternative but to have the respondents request the specific services they wish. Many of the requests are verbal; e.g., request for an appeal inspection (57.320).

These regulations provide flexibility as they affect a constant changing and developing industry. The respondents may request special approval;

for example, to use or try new procedures for handling inedible egg products for industrial use or animal food (57.720(a)(3)). The regulations also permit experimentation (57.10) so new procedures and techniques may be developed to aid technological improvements and increase efficiency. Although flexibility is provided, it directly affects the information burden.

In accordance with sections 5(d) and 11 of the EPIA, shell egg handlers and others handling eggs and inedible egg products are required to maintain certain records (57.200(a) and (b)) for 2 years to assure the proper disposition of restricted shell eggs and that only eggs fit for human food are used for such purposes. These records are reviewed at least once a year in conjunction with quarterly visits or other applicable visits by shell egg regulatory inspectors or, in cases of noncompliance, during follow-up visits.

Although the regulations and the EPIA outline the recordkeeping, the records are the kind of business, production, or quality assurance records normally kept by industry; for example labeling or identifying inedible or restricted eggs, inedible and unwholesome egg products, and labeling or identifying imported restricted eggs is normally a standard practice of handlers (57.800, 57.840, and 57.905(a)).

Forms submitted for approval under this request:

(a) **Form LPS-76, Shell Egg Surveillance Quarterly Cost Report**, is completed by the cooperating State agencies to account for surveillance inspection costs to the Agency. The information is readily available from other management and accounting records.

The EPIA requires quarterly inspections of all shell egg handler locations (mandatory shell egg surveillance inspection program). Currently, 22 States and 1 U.S. Territory are subjected to surveillance inspections of shell egg handlers and hatcheries which are conducted by State regulatory inspectors in conjunction with other State inspection functions for the Agency under cooperative agreements. The number of States subject to

this legislation fluctuates with each collection package due to industry consolidation or other production trends. Section 9 of the EPIA provides for Federal and State cooperation and reimbursement for costs incurred by State agencies under the cooperative agreements.

The Agency projected fiscal reimbursable costs for these inspections are prorated and distributed monthly to the States. With these cost reports, the agency can accurately project reimbursements to cooperating agencies. State quarterly cost and workload (number of shell egg handlers and inspections conducted) provide the basis to efficiently monitor the utilization of funds and to manage the shell egg surveillance inspection program.

(b) **Form LPS-155, Registration of Shell Egg Handlers**, is completed by shell egg handlers and those handling eggs and inedible egg products. The form serves to register names and addresses of shell egg handlers and hatcheries (57.690) requiring inspection under sections 5(d) and 11 of the EPIA. In accordance with the regulation and the EPIA, the USDA Office of the General Counsel requires registration of applicable respondents before regulatory action can be initiated. Computerized listings of information prepared from the forms provide the basis for measuring the workload of each State for reimbursing costs, budget and management planning, and program control.

(c) **Forms LPS-156, Shell Egg Regulatory Inspection Report**, is completed by Federal and State regulatory inspectors to record their findings during surveillance inspections of shell egg handlers and hatcheries and to document violations of sections 5(d), 8, and 11 of the EPIA found on their premises. The form provides a uniform method of reporting, and verifies the quarterly inspections required by the EPIA.

(d) **Form LPS-518-1, Alleged Violation and Detention Notice**, is completed by Federal and State regulatory inspectors to document violations of sections 5, 8, 10, 11, 19, and 20 of the EPIA and section 203(h) of the Agricultural Marketing Act (60 Stat. 1087-1091, as amended; 7 U.S.C.

§ 1621 - 1627) (AMA). This form also serves as a record and notice of product detained outside of an official plant. (Examples of violations: Under EPIA, shipment or receipt of illegally processed egg products, improperly labeled or un-denatured inedible eggs, or use of inedible or unwholesome products as human food; and under AMA, mislabeled graded products or products not graded under the AMA and represented as having been graded under USDA supervision.)

--Forms LPS-156 and LPS-518-1 are the basis for documentation used in developing a case file of violations on an individual or firm and, when appropriate, as evidence in judicial proceedings. Information from Forms LPS-156 and LPS-518-1 are summarized and reported to Congress annually in accordance with section 26 of the EPIA.

--Forms LPS-156 and LPS-518-1 are completed by Federal and State regulatory inspectors based on facts and opinions obtained through direct observations during inspections and non-standardized discussions with industry management.

--A representative of the firm is asked to voluntarily sign the LPS-156 to acknowledge the regulatory inspector's discussion of documented items and other findings, or in the case of LPS-518-1, to acknowledge shipment or receipt of noncompliant product. It is Agency policy to discuss USDA’s findings directly with management and ask them to acknowledge this discussion by signing the form during the time of the inspection to inform the plant of any facts, opinions, or information documented by the Agency.

(e) **Form LPS-222, Import Request (Shell Eggs)**, is initiated by handlers wishing to import shell eggs and egg products into the United States by providing the information contained in 57.915(b). U.S. Customs and the USDA add specific information to the form at various stages of commerce. The form is essential to control the movement and disposition of imports and restricted eggs and egg products, as required by section 17 of the EPIA.

If the information under this request were not collected, the Agency would not be able to carry out the intent of Congress; i.e., enforce the EPIA to control the processing, movement, and disposition of restricted shell eggs, unwholesome, adulterated, and inedible eggs and egg products; to prevent their use as human food; to control imports of such eggs and egg products; and to take regulatory action in case of noncompliance.

Another form used under 7 CFR part 57 is **Form LPS-157** shown in the attached AMS Form 71 is designed for use under other Program regulations 7 CFR 56 and 70 and burden is submitted under OMB 0581-0128 approved on August 4, 2017. The form is discussed below:

Form LPS-157, Application for License, is used under all Livestock, Poultry, and Seed Program (LPS) regulations (7 CFR 56, 57, and 70) to document that a USDA or State employee is qualified to perform the duties of a commodity grader or a shell egg surveillance inspector. State employees under cooperative agreements grade or inspect products for USDA. The form is the basis for issuing a license. Form LPS-157 is used as proof that an employee is qualified and authorized to investigate and document violations (shell egg surveillance inspector); or to perform the duties of a commodity grader; and to issue official certificates as prima facie evidence when challenged by industry or in representing testimony in judicial proceedings, etc.. After training under USDA-licensed graders or inspectors and USDA supervisors, USDA and State employees can be licensed to grade or inspect one or more products according to the applicable program regulations. Form LPS-157 is used to document that a USDA or State employee is qualified to grade or inspect one or more products according to one or more program regulations. Form LPS-157 is a multiple-part form with sections for the employee to provide his or her education or work experience applicable to the position(s), sections for a USDA supervisor to document USDA training and the results of the employee's/supervisor's comparative examination of gradings and/or

inspections of products under plant conditions, and sections for USDA approval and license information. State employees who are licensed to grade shell eggs and poultry are supervised by USDA supervisors.

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.

The Agency continuously works to simplify and reduce the collection of information burden on respondents and to provide flexibility wherever possible. The Agency also strives to request only information that is known or readily available from respondents' routine business, production, and quality assurance records and in many instances, an information burden may be reflected through a verbal exchange between Agency personnel and the respondent or through direct observations during inspection procedures. Information and recordkeeping burdens are minimal and limited to those necessary to control the disposition of restricted shell eggs and to control eggs and egg products which are unfit for human consumption.

The burden associated with forms LPS-155 and LPS-222 is minimal as they are accessible in pdf on the Internet at: https://www.ams.usda.gov/rules-regulations/eggs/complying and may be electronically completed, signed, and electronically submitted. (The printed paper form and electronic version are identical).

The burden associated with forms LPS-76, LPS-156, and LPS-518-1 is minimal as they are prepared by Agency personnel utilizing information provided by the respondents.

The Agency will continue to assess costs and availability of technological improvements to reduce information collection burden wherever possible.

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.

There is no known duplication of information or recordkeeping burden. There are no other sources of information other than respondents. The information must be obtained from each respondent specifically for their product and plant operation for their specific purposes or needs. The Agency works with the respondents to ensure there is no duplication of information by assessing the type of information required and determining that the methods of providing the information do not duplicate other information or recordkeeping burdens.

The regulations in this request reference and apply appropriate requirements of the Federal Food, Drug, and Cosmetic Act; the Fair Packaging and Labeling Act; and the regulations promulgated under these two Acts. To prevent duplication on respondents, the regulations in this request require egg products to be labeled in accordance with these two Acts. AMS and the Food and Drug Administration have cooperative agreements outlining each of their various responsibilities for inedible egg products and shell eggs. This also reduces possible duplication on respondents.

There is no other information that can be used or modified. Information from respondents applies only to each specific respondent or product; is available only from each respondent; and must be provided specifically by each for their specific needs and purposes.

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.

Information collection requirements have been reduced to the minimum requirements of the Order and is the same for all shell egg processors, hatcheries, importers, processors of inedible eggs and inedible

egg products, users of inedible egg products or State agencies and U.S. Territories with cooperative agreements does not significantly disadvantage any shell egg industry representatives that are smaller than average. The primary sources of information used to complete the required forms are readily available from normal business records maintained by producers, first handlers, and importers. Such information can be supplied without data processing equipment or outside technical expertise. The Agency applies the collection of information requirements least burdensome and works to minimize the total burden and to provide the flexibility needed by each respondent.

The EPIA provides for various kinds of exemptions; e.g., for producers with an annual egg production from a flock of 3,000 hens or less and for sales from producers and shell egg processing plants directly to household consumers, exclusively for the consumers' own use. However, the EPIA and the regulations do not provide exemptions for small businesses involved in processing, buying or selling of shell eggs, or those using eggs in the preparation of human food unless they use certain quality of shell eggs.

The Small Business Administration defines, in 13 CFR part 121, small agricultural producers as those having annual receipts of no more than $750,000 and small agricultural service firms (first handlers and importers) as those having annual receipts of no more than $7.5 million. We have estimated the number of respondents for this collection is 805, and we estimate that 121 are considered 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.

Less frequent data collection would adversely impact respondent’s ability to comply with the provisions of the Act and regulations; e.g., request importation of eggs and egg products (57.920) or request alternate handling procedures for inedible products (57.720(a)). Further, without the

frequency of responses outlined in this request, the Agency would not be able to provide mandated program services in an efficient or cost effective manner.

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;**

Frequencies and various response times outlined in this request are necessary to ensure food safety and wholesomeness and to obtain compliance with the Act and regulations. Often, respondents or the Agency must take action upon a request within 1 to 3 days in order to meet industry needs as, in the case of an inspection appeal; the respondent would need to request action within 1 or 2 days to ensure the product hasn't undergone any material change. Respondents are asked to provide various types of information as it coincides with normal industry business activities. The Agency evokes provisions of 5 CFR 1320.5(d)(2)(i) and (ii) to assure regulatory compliance for handling and disposition of restricted shell eggs and unwholesome or inedible egg products. Finally, the regulations and/or adjudicatory proceedings of the Department dictate response times to regulatory or administrative actions; e.g., 7 days for a USDA licensed employee to appeal a license suspension or revocation.

- **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 other special circumstances. The collection of information is conducted in a manner consistent with the 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 Agency published a notice in the Federal Register on October 13, 2017, at Vol. 82, No. 197, page 47687 announcing its intention to request an extension of and revision to this information collection as required by 5 CFR 1320.8(d).

Six comments were received in response to the notice. No action was taken in response to these comments because they are outside the scope of this request and did not address the cost or burden on the respondents subject to this information collection.

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 Agency annually meets with industry trade organizations to obtain their views on pertinent issues and to exchange information regarding program effectiveness. The membership of these organizations represent over 95 percent of the egg producers and processors in the country. Representatives of the national or regional staff met with members of the following egg industry organizations and participated in their seminars and information sessions to get their views:

United Egg Producers
6455 East Johns Crossing, Suite 410
Johns Creek, GA 30097
(770) 360-9220
Mr. Chad Gregory

U.S. Poultry & Egg Association
1530 Cooledge Road
Tucker, GA 30084
(770) 493-9401
Mr. John Starkey

Midwest Poultry Federation
108 Marty Drive
Buffalo, MN 55313
(763) 682-2171
Mr. Steve Olson

Pacific Egg and Poultry Association
1521 “I” Street
Sacramento, CA 95814
(916) 441-0801
Ms. Debbie Murdock

The Agencies' outreach and collaboration with these organizations allowed over 600 egg farmers, ranchers, and processors to provide input in an effective and cost efficient way. Although the organizations are the same as previously reported, the input was gathered from a variety of persons with diverse experiences and different viewpoints about the egg industry. Federal-State, regional, and national supervisors were readily available by telephone to answer questions and obtain respondents' views, and they place special emphasis on open communication during their supervisory travel. Inspectors are also ready to answer respondents' questions at any time or obtain needed information from their USDA supervisors. The Agency has cooperative agreements with many States and 1 U.S. Territory and has ongoing working relations with them.

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

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.

It is Department policy that no employee or official of USDA or State shall use to their advantage, or reveal other than to the authorized representatives of the USDA, any information acquired concerning the business or operations of the respondents or any matter entitled to protection as a trade secret. Confidential information is withheld from public review under the Freedom of Information Act and the Privacy Act, 5 USC 552.

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.

Information of a sensitive nature is not collected.

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 total cost to respondents for this collection is $76,705.93 ($71,806.09 + 4,899.84) based on the following computations:

The respondents estimated annual cost for providing this information is $71,806.09. This total has been estimated by multiplying 1,942.28 burden hours at the estimated hourly wage of $36.97 equals $71,806.09.

This estimated hourly wage is an average for the various levels of management (general manager, plant manager, processing supervisor, or quality assurance supervisor) most likely to be handling the specific responses.

The estimated cost to the State cooperating agencies for Form LPS-76 is $4,899.84. Estimated cost to States is based on 174 burden hours at the estimated hourly wage of $28.16 equals $4,899.84. The estimated hourly wage is the average wage for Shell Egg Surveillance Inspectors who assemble the information and handle the responses.

Data for computation of the hourly wage of $36.97 (above) was obtained from the U.S. Department of Labor Statistic's publication, "May 2016 National Occupational Employment and Wage Estimates United States". This publication can also be found at: https://www.bls.gov/oes/current/oes_nat.htm#11-0000.

The estimated time per burden and total hours of burden are shown in the attached AMS Form 71, under the supplementary document.

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.**

This collection of information did not require the expenditure of start-up/capital costs nor any operation/maintenance costs.

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.

For this collection the estimated total cost to Federal Government is approximately $1,687,744.00 which includes the cost of the field inspection and supervisory staff, national supervisors, and appropriate support staff

time to collect and handle the information, processing cost, related overhead, printing and applicable operational expenses for the collection of information required by the forms within this submission package. In our previous submission, the estimated costs to the Federal Government were not based on actual salary figures, current travel cost or appropriate estimates of government employees. Current technologies allow access to real-time data and have afforded a more accurate cost estimate.

It is anticipated that Livestock, Poultry, and Seed Program will employ the services of existing employees, whose time spent on Shell Egg Surveillance Inspections and associated administrative duties will be reimbursed from appropriated funds. Staff from various federal and state offices runs the day-to-day operations of this mandatory inspection program.

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

There have been no changes in the voluntary grading program or services, or in the information collection requirements. There is an overall increase of 33.28 burden hours and a decrease of 13 respondents from the previous submission primarily due to industry consolidation.

The changes in burden for the net increase 33.28 hours from the previous submission are summarized below:

REG. NO. 7 CFR 57	REASON	PREVIOUS BURDEN	NEW BURDEN	DIFFERENCE	TYPE OF CHANGE
57.13	Decrease in respondents	180.00	174.00	-6.00	A
57.28(a)	Decrease in respondents	567.00	563.50	-3.50	A
57.200(a) & (b)	Decrease in respondents	206.75	201.25	-5.50	A
57.240	Decrease in respondents	3.75	.50	-3.25	A
57.720(a)(3)	Decrease in respondents	125.00	25.00	-100.00	A

57.800	Increase in respondents	267.30	316.80	49.50	A
57.840	Increase in respondents	62.50	75.00	12.50	A
57.905(a)	Decrease in respondents	1.32	.33	-0.99	A
57.915(b)	Increase in respondents	168.00	199.50	31.50	A
57.920	Increase in respondents	316.80	376.20	59.40	A
57.930(f)	Decrease in respondents	.25	.00	-0.25	A
Difference due to rounding				-0.13	
TOTAL		**1898.67**	**1932.08**	**33.28**	

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.

Information under this request does not employ statistical methods and is not published for statiscal use. The information is summarized for internal Program management decision making and the Programs' annual progress report, to prepare the Agency and departmental reports, to answer Congressional requests, and to prepare the annual report to Congress (section 26 of the Act).

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 Agency requests approval not to display the expiration date for OMB approval of the information collection. The impact of the expiration date requirement on administrative and regulatory forms can adversely

affect the operation and enforcement of the statutes. As the forms are widely distributed, there is the possibility that a respondent could inadvertently complete an expired form before a new form was distributed, having a severe adverse legal consequence if the validity of the form were ever challenged. For example, if expired Import Shell Egg Request were inadvertently used, the highly perishable product could be detained by U.S. Customs officials. A disruption of this type would increase legal and administrative costs, and greatly decrease efficiency.

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

No exceptions are requested to the certification statement identified in item 19 of OMB Form 83-I.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not being used with this collection.