

Supporting Statement
Market Facilitation Program (MFP)
OMB control number-0560-NEW

The Farm Service Agency (FSA) is requesting emergency approval by August 20, 2018 for a new information collection request needed to provide assistance through the Market Facilitation Program (MFP) with respect to commodities that have been significantly impacted by actions of foreign governments resulting in the loss of traditional exports.

FSA is administering MFP on behalf of the Commodity Credit Corporation (CCC). CCC is funding the program payments. A final rule and a Notice of Funds Availability for MFP will be published in the Federal Register at later date. Subsequent notices of funding availability will be issued to announce the eligible crops and commodities.

The 60-day information collection notice will be included in the NOFA to receive comments on the collection. The comment period will end on October 29, 2018. The signup date for MFP payment is expected to start on September 4, 2018.

1. Circumstances that make the collection of information necessary.

This information collection is required for FSA to make MFP payments to domestic crop and commodity producers. Specifically, the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) authorizes CCC to assist in the disposition of surplus commodities and to increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

The purpose of MFP is to aid producers in the disposition of surplus commodities and aid in the expansion of domestic markets or aid in the development of new and additional markets and uses for the specific crops or commodities that are negatively impacted by actions of foreign governments.

The application period is September 4, 2018 through January 15, 2019.
The funding will be provided under the authority in 15 U.S.C. 714c.

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

The information collection requirements are described below and on the attached FSA-85-1, Reporting and Recordkeeping Requirements.

To calculate the MFP payment amount for an approved applicant, FSA must identify the producer and determine the crop production or amount of the commodity (such as, number of livestock or amount of historical production), the producer's share of the crop or commodity, and know how to disburse the payment based upon having the applicant's option of having a paper check mailed to the applicant, or having the payment deposited directly to an account of the applicant.

Lack of adequate information to make the determination could result in the improper administration and appropriation of CCC funds.

In order to determine whether a producer is eligible for MFP and to calculate a payment, a producer is required to submit CCC-910, Market Facilitation Program (MFP) Application; CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information; CCC-902, Farm Operating Plan for Payment Eligibility; FSA-578, Report of Acreage; and AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation Certification. Most applicants will already have FSA-578, CCC-902, CCC-941, and AD-1026 on file at the time of application; however, a percentage of applicants who have not previously participated in FSA programs may need to file these forms to become eligible. The new producers will complete the forms if have not yet filed with FSA.

Production evidence will not be required at the time of signup. It is possible that a producer did not file a FSA-578 crop acreage report for the 2018 crop year, and they will need to late-file their 2018 crop acreage, which would require a producer to submit production evidence to substantiate a share in the 2018 crop. This will be limited to producers who will need to late-file their 2018 crop acreage to FSA. FSA estimates no more than 5,000 applicants will be required to late-file an application. The estimated burden hours for the production evidence is 750 (5000 x 15 minutes). The only other possible reason for submitting production evidence is if the certified quantity is determined to be questionable.

CCC-910 2018-Market Facilitation Program (MFP) Application. The form is the 2018 MFP Application for use by producers requesting a MFP payment. Applicants for this payment will submit the CCC-910 MFP Application in person at a local FSA Service Center, by mail, fax, or as an e-mail attachment. This form identifies the applicant identified in Part B of form CCC-910 2018 MFP Application, the commodities elected by the producer or the elected commodities in Part C of form CCC-910 2018 MFP Application, and the producer's claimed production and/or amount of commodities for the 2018 market year in Part E of form CCC-910 MFP Application. The information collected is used by FSA to calculate the MFP payment amount based upon the certified production amount(s), and to determine if the production amount(s) for the 2018 market year.

SF-3881-ACH Vendor/Miscellaneous Payment (OMB control number 1510-0056). FSA is using one collection approved under Other OMB Control Numbers for the producers to sign up to get direct payment electronically from FSA. The estimated number of producers to complete this form is 1,000 and 250 burden hours (1,000 X 15 min.), and those burden hours are not included in this ICR, but the calculation is provided for reference.

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 decisions for adopting this means of collection. Also describe any consideration of information technology to reduce burden.

The application form CCC-910, CCC-902, CCC-941, and FSA-578Manual (online mostly) are available electronically at <http://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>. FSA also plans to allow producers with Level 2 eAuthentication accounts to apply online through www.farmers.gov/Manage/MFP.

4. Describe efforts to identify duplication. Show specifically why similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There is no duplication of information.

5. Methods to minimize burden on small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods to minimize burden.

The information collected does not adversely impact small businesses or other small entities. The small businesses or entities number is 551,207.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacles to reducing burden.

The final rule requires the minimum information needed to determine the dollar amount the producer is eligible to receive under MFP. This minimum reporting of information is necessary for FSA to administer MFP in an equitable and cost-effective manner, and to ensure the applicant is not overpaid or underpaid.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- a) Requiring respondents to report information more frequently than quarterly. None.
- b) Requiring written responses in less than 30 days. None.
- c) Requiring more than an original and two copies. None.
- d) Requiring respondents to retain records for more than 3 years. None.
- e) No utilizing statistical sampling. None.
- f) Requiring the use of statistical sampling which has not been reviewed and approved by OMB. None.
- g) Requiring the pledge of confidentiality. None.
- h) Requiring submission of propriety trade secrets. None.

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

This is a new information collection request. The final rule for MFP will be published in the Federal Register and will include the 60-day comment period required by the Paperwork Reduction Act. The consultation will be included in the request after the emergency approval.

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

There is no payment or gift given to respondents.

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

FSA policy prohibits revealing individual privacy information. 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 question of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

No questions of a sensitive or personal nature are included in the application.

12. Provide estimates of the hour burden of the collection of information.

USDA estimates that up to 784,439 producers may apply for MFP payments.

Completing the MFP application (CCC-910) is estimated to take an average of 0.50 hours per response. The annual burden for completing the application is 329,219.5 hours (784,439 responses x 0.50 hours).

The annual burden for this information collection package is 537,327. This was calculated by adding the annual burden hours determined for the MFP application, other required forms (CCC-902, CCC-941, FSA-578, and AD-1026) and recordkeeping.

Respondent cost per hour was derived by using U.S. Bureau of Labor Statistics Occupational Employment and Wages, May 2017, 11-9013 Farmers, Ranchers, and Other Agricultural Managers. The U.S. mean household income, as measured by the Bureau of Labor, is \$38.62 hourly. The estimated cost is \$20751,588 ($\$38.62 \times 537,327$ hours).

13. Provide an estimate of the total annual cost burden to the respondents or recordkeepers resulting from the collection of information.

There are no capital and start-up or ongoing operation or maintenance costs associated with this information collection.

14. Provide estimates of annualized cost to the Federal Government.

The cost of form development, printing and distribution is minimal because the form is computer generated. County employee cost per response is equal to 0.5 hours for completion of the application form multiplied by \$19.47 (estimated county employee average hourly wage; based 2018 General Schedule, Grade 7, Step 5). The total annualized cost to the Federal Government is \$7,636,514 ($\19.47×0.5 hours x 784,439 responses).

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 information request. The program changes are +537,327 hours.

16. For collection of information whose results will be published, outline plans for the tabulation and publication.

There are no plans to publish the results of MFP.

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

FSA will display OMB expiration date.

18. Explain each exception statement to the certification statement identified in Item 19 on OMB Form 83-I.

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