

**2020 SUPPORTING STATEMENT
FOR THE
NATIONAL ORGANIC PROGRAM
OMB NO. 0581-0191**

A. Justification

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

The Organic Foods Production Act of 1990 (OFPA) as amended (7 U.S.C. 6501 - 6522) mandates that the Secretary develop a National Organic Program (NOP) to accredit eligible State governments, State officials or private persons as certifying agents who would certify producers or handlers of agricultural products that have been produced using organic methods as provided for in OFPA. As mandated by the OFPA § 6501, the purposes of the NOP regulations are: (1) to establish national standards governing the marketing of certain agricultural products as organically produced products; (2) to assure consumers that organically produced products meet a consistent standard; and (3) to facilitate interstate commerce in fresh and processed food that is organically produced.

The NOP regulation (7 CFR Part 205) fulfills the requirements of the OFPA. It includes comprehensive production and handling standards, labeling provisions, requirements for the certification of producers and handlers, accreditation of certifying agents by U.S. Department of Agriculture (USDA), Agricultural Marketing Service (AMS), and an administrative subpart for fees, State Programs, National List, appeals, compliance, and pesticide residue testing.

A considerable amount of paperwork is required to meet the certification and accreditation requirements. Producers and handlers must submit an application known as an organic system plan (OSP) (§ 205.201) to their certifying agent. Handlers must determine the percent of organic ingredients in their products and design the appropriate label. Inspectors who perform on-site inspections of farms, handling facilities and processing plants prepare reports to the certifying agents. The certifying agents inform the operations and the inspectors of the outcome of certification decisions and issue organic certification certificates to certified operations. After the initial certification, operators annually submit updates of their OSP to their certifying agent, and certifying agents engage inspectors to perform on-site inspections. In addition, pesticide residue tests are performed unannounced on 5% of certified operations annually

Certifying agents, who want to be accredited by USDA to certify organic production and handling operations, must apply to USDA under (§ 205.401). USDA auditors review the application, perform a site evaluation, and submit reports to USDA. The USDA will decide to grant or deny accreditation. Annually, accredited agents must

submit an update of their certified operations to USDA. USDA performs full audits of accredited certifying agents every 5 years and performs mid-term audits at 2 ½ years. Agents are also required to notify certified operations, USDA or State officials when they observe noncompliance to the regulations.

Operations and certifying agents whose operations are denied or whose respective certification or accreditation are proposed for suspension or revocation have the right to mediation and appeal of the decision. This also requires paperwork. Finally, the producers and handlers are required to store their certification records for 5 years.

State governments wishing to establish State Organic Programs must submit the program for approval by USDA (§ 205.620-.622). Persons seeking to add or remove a substance from the National List must submit a petition to USDA (§ 205.607).

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.

Reporting and recordkeeping are essential to the integrity of the organic certification system. They create a paper trail that is a critical element in carrying out the mandate of OFPA and NOP. They serve the AMS mission, program objectives, and management needs by providing information on the efficiency and effectiveness of the program. The information affects decisions because it is the basis for evaluating compliance with OFPA and NOP, for administering the program, for management decisions and planning, and for establishing the cost of the program. It supports administrative and regulatory actions in response to noncompliance with OFPA and NOP.

In general, the information collected is used by USDA, State program governing State officials, and certifying agents. It is created and submitted by State and foreign program officials, accredited certifying agents, organic inspectors, certified organic producers and handlers, those seeking accreditation or certification, and parties interested in changing the National List. Additionally, all entities must have procedures and space for recordkeeping.

States. Upon approval by the Secretary, a State Program's governing State official may operate a State Organic Program with requirements that meet or exceed the NOP. To obtain the Secretary's approval, a State Program's governing State official will have to submit a proposed program that includes statutory authorities, program description, a statement of acceptance of the general requirements for organic programs, and other information required by the Secretary. Any proposed amendments to an existing program also will have to be submitted. If the Secretary does not approve the

State program or any proposed amendment, a State Program's governing State official may submit revisions. Sections 205.621(a) and 205.621(c) are the sections with reporting requirements for State Organic Programs.

Approved State Organic Programs will have some compliance requirements. States will have to report the findings of non-compliance to the NOP Program Manager and submit results of residue testing to the appropriate officials. These requirements are in §§ 205.668(c) and 205.670(d).

Accredited Certifying Agents. Certifying agents are State government, private, or foreign entities who are accredited by USDA to certify domestic and foreign producers and handlers as organic in accordance with the OFPA and NOP. The regulation imposes a paperwork burden upon certifying agents for certification activities as well as for obtaining USDA accreditation. To become accredited, an agent must submit an application to USDA demonstrating that it has policies and procedures in place to perform accurate and impartial certifications. The following list describes the most significant documents a certifying agent must submit for accreditation.

1. A copy of procedures used for making certification decisions, complying with recordkeeping requirements, maintaining confidentiality of client's business-related information, preventing conflicts of interest, sampling and residue testing, training and supervising personnel, and public disclosure of prescribed information concerning operations they have certified and laboratory analyses. Certifying agents may have to create these policies or modify existing policies to conform to the regulation.
2. Documentation on the qualifications of all personnel used in the certification operation, annual performance appraisals for each inspector and personnel involved in the certification, and an annual internal program evaluation. Existing certifying agents may already perform these operations. New certifying agents will have to establish procedures.
3. Documentation on the financial capacity and compliance with other administrative requirements (e.g., fee structure, reasonable security to protect the rights of the certifying agent's clients as provided in the NOP, and business relationships showing absence of conflicts of interest). Some of this information can be compiled from existing records and some may be generated from other sources.
4. An annual report to the Administrator including an update of previously submitted business information, information supporting any requested changes in the areas of accreditation, and steps taken to respond to previously identified concerns of the Administrator regarding the certifying agent's suitability for continued accreditation. The annual report requirement will draw on records created in the normal course of business.

5. A list of producers, wild-crop harvesters, and handlers currently certified. This information can be compiled from existing records. Certifying agents are required to submit annually a list of certified operations.

6. Program information to help certification applicants comply with the regulation. To comply with this requirement, certifying agents may need to modify existing standards and practices.

7. Retention of records created by the certifying agent regarding applicants and certified operations for not less than 10-years, retention of records obtained from applicants and certified operations for not less than 5-years, and retention of other records created or received for USDA accreditation for not less than 3 years. This activity requires records, database management capabilities, and resources (storage space, file cabinets, electronic storage, etc.). In an informal inquiry, AMS found that most existing certifying agents currently retain records for at least 10 years and use both electronic and paper storage.

8. Issue recommendations that the NOP issue a temporary variance and notify certified operations that would be affected.

9. Submit residue test results to USDA or a Governing State Official. When tests exceed regulatory tolerances, agents will have to notify the appropriate health agencies. Sections 205.290, 205.501, 205.503, 205.504, 205.505, 205.507 and 205.510 contain the reporting requirements. Testing report requirements are in §§ 205.670 and 205.671.

Accredited certifying agents determine if a producer or handler is eligible for certification by using detailed information from the operation documenting its specific practices and on-site reports from organic inspectors. The following list describes the most significant activities a certifying agent will have to perform to comply with certification requirements. Certifiers routinely perform these activities. New certifying agents will have to establish procedures.

1. Review applications from producers and handlers for completeness and viability, communicating findings to the applicant, and if appropriated scheduling on-site inspections. The application will include general business information and the Organic System Plan.

2. Provide on-site inspection reports from the previous year and any test results to the inspector.

3. Issue a certificate, if appropriate, after deciding to certify an operator.

4. Provide written notification to operators of noncompliance when certification

is denied, approving corrective actions, and issuing a certificate.

5. Notify applicant if the corrective actions are not sufficient.

6. Submit copies to USDA of all notices that are issued on certification approval, denial, noncompliance, and suspension or revocation of certification. This requirement will be fulfilled simultaneously with sending notices to applicants or clients.

Sections that contain reporting burden include 205.400 - 205.406. The compliance requirements are in §§ 205.642, 205.663, 205.665, and 205.668.

Organic Inspectors. Inspectors are employees of certifying agents or independent contractors that they employ. They conduct on-site inspections of each applicant for certification and annual inspections of each certified operation, and provide a written report of their findings to the certifying agent. The inspection is a significant factor in determining whether certification should continue. Section § 205.403 is the rule section that requires an inspection report.

Producers and handlers. Producers and handlers will have to determine whether they must be certified, or if they are exempt or excluded from certification. Producers include farmers, livestock and poultry producers, and wild crop harvesters. Handlers include millers, bulk distributors, food manufacturers, processors, repackagers, or packers. Some handlers may be part of a retail operation that processes organic products in a location other than the premises of the retail outlet. Certified operations include producers or handlers that produce or handle crops, livestock, livestock products, or other agricultural products that are intended to be sold, labeled, or represented as “100 percent organic,” “organic,” or “made with organic (specified ingredients)” .

Operations exempt from certification include (1) producers and handlers whose gross agricultural income from organic sales totals \$5,000 or less annually; (2) handling operations that are retail food establishments that handle organically produced agricultural products but does not process them, (3) handlers handling agricultural products that contain less than 70 percent organic ingredients by total weight of the finished product; and (4) handlers that handle agricultural products that contain at least 70 percent organic ingredients and choose to use the word "organic" only on the information panel of a packaged product. Exempt operations, described in § 205.101, are required to maintain records for 3 years to verify that their operations meet the requirements for exemption. This specific recordkeeping requirement is in § 205.101(c).

Operations excluded from certification include: (1) handlers selling only agricultural products labeled as “100% organic” “organic” or “made with organic ingredients” that are enclosed in a container prior to being received, remain in the same container, and are not otherwise processed while in the control of the operation, (2) retail

food establishments that process on the premises raw and ready-to-eat food from products that are previously labeled “100% organic”, “organic” or “made with organic ingredients”. Excluded operations, also described in § 205.101, are not subject to a recordkeeping requirement.

Producers and handlers, domestic and foreign, who seek certification or renewal of certification, submit an organic system plan (OSP) or update to certifying agents for certification. The OSP provides agents with detailed information documenting compliance with the regulations including basic business. Producers and handlers will be required to update their OSP annually. The regulation § 205.401 requires an application and § 205.406 requires an annual update. Section 205.103 requires certified operators to maintain their records for 5 years.

Handlers, including exempt operations, must meet labeling requirements. The rule imposes a paperwork burden for an estimate of the time needed to develop labels for products sold, labeled, or represented as "100 percent organic," "organic," or "made with organic (specified ingredients)" according to the labeling requirements for each category. Handlers will also have to design labels and decide about using the USDA seal, a State emblem, or the seal, logo, or other identifying marks of a private certifying agent. These requirements can be found in §§ 205.300 - 205.311.

Interested parties. Any interested party may petition the NOSB for the purpose of having a substance evaluated for recommendation to the Secretary for inclusion on or deletion from the National List. The reporting burden for petitioning a new substance is derived from requirements found in § 205.607.

Organic ruminant producers. Under the NOP (§ 205.103) each producer of organic ruminant livestock is required to maintain and make available upon request, for 5 years, such records as are necessary to verify compliance with the NOP. Under the final rule, monthly documentation of: (1) feed rations; (2) the daily dry matter demand of each animal; (3) how much dry matter is fed daily to each animal; and (4) the percentage of dry matter fed daily would become a part of that recordkeeping system. These records will provide the best evidence of compliance with the requirement that for the growing season, producers of organic ruminants provide not more than an average of 70 percent of a ruminant’s dry matter demand from dry matter fed. The recordkeeping burden includes the amount of time needed to store and maintain records.

This information collection is only used by the organic ruminant producer; authorized representative of USDA, including AMS, NOP staff; and USDA accredited certifying agents. Organic ruminant producers and USDA accredited certifying agents are the primary users of the information and AMS is the secondary user.

a) **Application For Accreditation – TM-10CG.** This form is used by a private or

governmental entity seeking accreditation as a certifying agent to demonstrate its expertise in organic production or handling techniques; its ability to fully comply with and implement the organic certification program established in §§ 205.100 and 205.101, §§ 205.201 through 205.203, §§ 205.300 through 205.303, §§ 205.400 through 406, and §§ 205.661 and 205.662; and its ability to comply with the requirements for accreditation set forth in § 205.501. This form is accessible via the internet at (<https://www.ams.usda.gov/sites/default/files/media/TM10CG.PDF>), respondents can fill out this form on-line, print and sign it for submission to the NOP.

- b) **Export Certificate – TM-11.** This form is used by an authorized certifying agent to issue an export certificate when required under an export arrangement between the USDA and a foreign government. This form is accessible via the internet at <https://www.ams.usda.gov/sites/default/files/media/Exporting%20USDA%20organic%20products%20to%20Taiwan%20and%20Japan.pdf> , respondents can fill out this form on-line, print and sign it for issuance.
- c) **National Organic Program Import Certificate (NOP 2110-1).** This form is used by designated certification entities for each shipment of organic product from the EU, Japan, Korea and Switzerland to the U.S. The NOP Import Certificate is necessary to document that the organic products were certified under the organic regulations of these trading partners and meets all the requirements specified in their respective organic equivalency arrangements with the U.S. This form is accessible via the internet at <https://www.ams.usda.gov/sites/default/files/media/NOP%20Import%20Certificate.pdf> , respondents can fill out this form on-line, print and sign it for issuance.

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.

Currently, the USDA encourages operations, handlers, and certifiers to use any electronic means available to them to create, submit and store records, including keeping database records of products produced; to maintain business accounting records; and to send documents over the internet. AMS is committed to complying with the e-Government Act, which requires Government agencies, in general, to provide the public the option of submitting information or transacting business electronically to the maximum extent possible.

Experience with the industry indicates that all certifiers use electronic data creation, storage and the internet. Certifying agents are being encouraged to submit their documentation through the USDA's new publicly available Organic Integrity Database (INTEGRITY)¹ or via e-mail to the NOP. Using INTEGRITY for electronic data submittal requires creating an account (See Organic Integrity Database Instructions under the Supplementary Documents in ROCIS). While the information and the data being requested are a regulatory requirement, the use of the database or an actual form is not a regulatory requirement. The data that must be submitted annually for each operation can be uploaded in INTEGRITY if it is current and accurate. In addition, certifying agents may also choose to use the standardized certificate template created by USDA in INTEGRITY to issue organic certificates to certified operations.

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.

We have made every effort to contact appropriate sources within USDA, other government agencies, and outside sources to ensure that we are not duplicating information collection. Some of the requirements for organic production and handling, certification, accreditation, State Organic Programs (SOP), and petitions to add substances to the National List are unique to the organic industry. Other information such as names and addresses are routinely collected for income tax and other purposes for other federal, state or local governments and program. Some Federal, State or Local programs or governments may require operators to provide maps and other information contained in the OSP. Internal quality management systems such as HACCP may require schematics of processing plants. It is impossible to determine the number of organic program participants who provide information that can be used on one or more instance. We encourage participants in the NOP to reduce the paperwork burden by establishing business operating plans and procedures that incorporate the NOP requirements.

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.

The Regulatory Impact Analysis (RIA) and the Regulatory Flexibility Analysis (RFA) indicate that many of the businesses in the organic industry are small businesses. Several options have been explored and every effort has been made to mitigate any negative impacts caused by a reporting or recordkeeping burden.

¹ Organic Integrity Database: <https://organic.ams.usda.gov/integrity/>

The NOP has made every effort possible to secure information about the smallest segments of the industry, to provide open dialogue with them, to develop performance standards with a range of practices, and to accept the required documents in a reasonable, logical fashion. The Small Business Administration (SBA) classifies small crop and animal producers as small entities when annual receipts do not exceed \$750,000; and small agricultural service firms, which would include organic handlers, when annual receipts total < \$7 million. We estimate that 95% of the respondents qualify as 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.

If the collection of information was not conducted or was conducted less frequently, the Agency would not be able to carry out the intent of Congress as it enforces the OFPA. This oversight, as mandated by the OFPA, includes an annual inspection of certified producers and handlers. The accreditation of certifiers requires written documentation of their management activities.

Every attempt possible has been made to create the regulation to incorporate existing documents and allow flexibility to certifiers, producers, and handlers. Certified operations will be required only to submit annual updates of information after their initial application has been submitted. Certifying agents are encouraged to use existing documents to meet the requirements of accreditation, rather than creating new documents.

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;

Respondents are not required to report more than quarterly.

- REQUIRING RESPONDENTS TO PREPARE A WRITTEN RESPONSE TO A COLLECTION OF INFORMATION IN FEWER THAN 30 DAYS AFTER RECEIPT OF IT;

Respondents are not required to prepare a written response to a collection of information fewer than 30 days after receipt.

- REQUIRING RESPONDENTS TO SUBMIT MORE THAN AN ORIGINAL AND

TWO COPIES OF ANY DOCUMENT;

Respondents are not required 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;

The OFPA § 6511 (d)(1) requires that producers and handlers maintain records concerning the production and handling of agricultural products sold or labeled as organically produced for 5 years. OFPA § 6515 (c)(1) requires any certifying agent to maintain all records concerning its activities for a period of not less than 10 years. The three categories of records with varying retention periods that are addressed in the NOP regulations are: (1) records created by certifying agents regarding applicants for certification and certified operations to be maintained 10 years; (2) records obtained from applicants for certification and certified operations to be maintained 5 years; and (3) other records created or received by certifying agents to be maintained 5 years.

Operations and certifying agents whose operations are denied or whose respective certification or accreditation are proposed for suspension or revocation have the right to mediation and appeal of the decision. This also requires paperwork. Finally, the producers and handlers are required to store their certification records for 5 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;

The information collected will not be utilized in connection with a statistical survey.

- REQUIRING THE USE OF A STATISTICAL DATA CLASSIFICATION THAT HAS NOT BEEN REVIEWED AND APPROVED BY OMB;

There is no requirement for a statistical data classification.

- 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

No confidential information is collected.

- 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.**

On Thursday, October 17, 2019 a 60-day notice was published in the Federal Register Vol. 84, No. 204, 55540-55542 requesting a revision of a currently approved information collection and request for comments. AMS requested comments regarding four specific questions discussed below.

- 1) Is the proposed collection of information necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility?*
- 2) What is the accuracy of the Agency's estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used?*
- 3) Ways to enhance the quality, utility and clarity of the information to be collected?*
- 4) Ways to minimize the burden of the collection of information on those who are to respond, including the appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology?*

AMS received one anonymous public comment from a small mixed vegetable producer citing the ways they feel their certifying agents is making their recordkeeping responsibilities more difficult than it should be. The producer is correct in stating that the certifying agent should assist producers with verifying whether materials and farm inputs comply with organic standards. AMS will be sure to emphasize their role in the training provided to certifying agents.

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.

AMS maintains a working relationship with affected regulatory agencies to ensure compliances with existing laws and regulations. The National Organic Standards Board (NOSB) holds biannual public meetings to discuss and make recommendations to the Secretary on materials to be added or deleted from the National List of Allowed and Prohibited Substances, to amend portions of the USDA organic regulations, and to receive public comment on issues of concern to the industry.

In addition, the Organic Trade Association (OTA), based in Brattleboro, VT, represents and encourages all sectors of organic stakeholders to provide public comment on all federal register dockets and to participate on all opportunities for public engagement.

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 regulation is a synthesis of existing organic standards and certification programs. We engage in extensive in-person, phone-based, and web-based outreach to the industry including meetings of the NOSB with public input at each meeting; yearly certifier training to discuss accreditation issues; attendance of NOP staff members at organic inspector meetings; and numerous speaking engagements of the NOP staff to discuss specific issues surrounding organic production, handling, inspection, and certification. In addition, we work closely with affected regulatory agencies to ensure compliance with existing laws and regulations.

Individuals with whom we have discussed our information collections:

- Harriet Behar, Organic Farmer and NOSB Chairperson 2019: 608-215-5940
- Laura Batcha, CEO, Organic Trade Association: 202-403-8630
- Scott Rice, Washington State Dept of Agriculture: 360-359-3021

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

There would be no payment or gift rendered to any respondent.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS AND THE BASIS FOR THE ASSURANCE IN STATUTE, REGULATION, OR AGENCY POLICY.

Evaluators reviewing private certifiers' confidential records would be Federal employees representing the USDA. The OFPA § 6515 (g) states "that any certifying agent shall maintain strict confidentiality with respect to its clients under the applicable organic certification program and may not disclose to third parties (with the exception of the Secretary or the applicable State Program's governing State official) any business-related information concerning such client obtained while implementing this chapter." Section 205.504 (b)(4) of the rule further states that a private certifying agent shall establish policies for protecting the confidentiality of client records.

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.

There are no questions that are of a sensitive nature. The information we are seeking is directly related to the applicants' business activities as they relate to the NOP.

12. PROVIDE ESTIMATES OF THE HOUR BURDEN OF THE COLLECTION OF INFORMATION.

Estimates of the hour burden of collection of information have been summarized on the AMS 71 Grid (supplementary document). Estimates of the reporting hour burden are summarized here in Question #12. Estimates of the recordkeeping hour burden are summarized in Question #13.

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-I.

-PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOUR BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES.

Four respondent types—certified operations (producers and handlers), certifying agents, inspectors, and petitioners - have been identified in our currently approved information collection (0581-0191). In this renewal, AMS is adding the State Organic Program as a separate respondent category. A State Organic Program is not the same as a state agency operating as an accredited organic certification program. The State Organic Program enforces the federal Organic Foods Production Act (OFPA) in its state under the authority of AMS. Currently, the California State Organic Program ² is the only State Organic Program. This is not a new burden. AMS has historically calculated and included their burden as part of the burden of certifying agents since the burden of their information collection is highly comparable to the information collection burden of certifying agents.

In addition, to more precisely understand the costs of the paperwork impacts of the National Organic Program, AMS has divided the categories of all respondents into domestic and foreign, as appropriate. Using domestic wage and benefit rates to calculate the impacts of foreign operations has been inflating the overall paperwork costs of the NOP since its implementation in 2002. For all respondents, AMS estimates: (1) the number of respondents; (2) the hours they spend, annually, creating and storing records to meet the paperwork requirements of the organic labeling program; and, (3) the costs of

² The California State Organic Program: https://www.cdfa.ca.gov/is/i_&c/organic.html

those activities based on prevailing domestic ³ and foreign ⁴ wages and benefits.^{5,6}

For the 50,025 reporting and recordkeeping respondents, the total information collection for both reporting and recordkeeping is 5,667,276 hours with 1,102,684 total responses, 22.04 responses per respondent, and 5.14 hours per response at a total burden cost of \$223,148,917 annually for both reporting and recordkeeping. For each type of respondent, we describe the reporting burden here in question #12 and the recordkeeping burden in question #13.

TOTAL ALL REPORTING BURDEN COST: \$148,958,580

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 3.67 hours per response

Respondents: Certified operations, certifying agents, inspectors, petitioners, and a state organic program

Estimated Number of Reporting Respondents: 45,159

Estimated Number of Reporting Responses: 1,052,933.87

Estimated Total Reporting Burden on Respondents: 3,863,880 hours

Estimated Total Reporting Responses per Reporting Respondents: 23 reporting responses per reporting respondents

AMS estimates that the public reporting burden for this information collection renewal is estimated to be 3,863,880.29 hours per year at a total cost of \$148,948,580.36 with a total number of 45,159 respondents. Respondents are comprised of currently certified operations, operations that will seek certification over the next 12 months, USDA accredited certifying agents, inspectors, petitioners, and the State Organic Program in California. Each of the respondent categories are explained in more detail in Summary Tables 1, 2 & 3 below.

³ The source of the specific hourly wage rates identified below is the National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, https://www.bls.gov/oes/current/oes_nat.htm.

⁴ The source of the data is based on average World Bank wage rates for countries with USDA-accredited certifying agents which are 52% of U.S. labor rates. <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

⁵ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14,2018: <https://www.bls.gov/news.release/ecec.nr0.htm>

⁶ The source of compensation rates is based on an average of Organization for Economic Co-Operation and Development (OECD) benefits compensation rates at 35.92% of wage rates for countries with USDA-accredited certifying agents. <https://stats.oecd.org/Index.aspx?DataSetCode=AWCOMP>.

TOTAL REPORTING SUMMARY	TOTAL NUMBER OF REPORTING RESPONDENTS	TOTAL REPORTING HOURS - ALL	TOTAL REPORTING COSTS - ALL
SUMMARY OF TABLES 1, 2, & 3	45,159	3,863,880.29	\$148,948,580.36

Summary Table 1 - Certified Organic & New Operations: Reporting Burden

There are 44,805 operations worldwide that are either currently certified to the USDA organic standards or will be seeking certification over the next 12 months. Based on historical growth, AMS expects an additional 2,496 operations will seek organic certification, based on the 5.9% rate of growth in number of operations observed in the last 12 months under the current rules.⁷ AMS estimates that the average annual reporting burden for all domestic and foreign certified organic producers and handlers, including new applicants is 3,051,231.99 at a total estimated cost of \$125,503,419.95.

AMS estimates that 26,435 operations based in the United States, and 18,370 operations based in foreign countries, including the respective applicants for certification under the current rules will be impacted. This is based on 1,800,226.88 hours for 26,435 domestic operations at \$50.86 per labor hour,⁸ including 31.7% benefits,⁹ and 1,251,005.12 hours per 18,370 foreign operations at \$27.13 per labor hour,¹⁰ including 35.92% benefits¹¹.

SUMMARY TABLE 1	USDA Certified Operations Reporting Burden			
Respondent Categories	Number of Respondents	Wage + Benefits	Total Reporting Hours	Total Reporting Costs

⁷ Organic Integrity Database: <https://organic.ams.usda.gov/integrity/>, calculated on April 3, 2019

⁸ National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, May 2018, 11-9013 Farmers, Ranchers, and Other Agricultural Managers. https://www.bls.gov/oes/current/oes_nat.htm

⁹ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14, 2018: <https://www.bls.gov/news.release/ecec.nr0.htm>

¹⁰ The source of the data is based on average World Bank wage rates for countries with USDA-accredited certifying agents which are 52% of U.S. labor rates. <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

¹¹ The source of compensation rates is based on an average of Organization for Economic Co-Operation and Development (OECD) benefits compensation rates at 35.92% of wage rates for countries with USDA-accredited certifying agents. <https://stats.oecd.org/Index.aspx?DataSetCode=AWCOMP>.

USDA Certified Producers & Handlers - New and Existing Domestic	26,435	\$50.86	1,800,226.88	\$91,564,111.49
USDA Certified Producers & Handlers - New and Existing Foreign	18,370	\$27.13	1,251,005.12	\$33,939,308.46
USDA Organic Operations - All	44,805		3,051,231.99	\$125,503,419.95

Summary Table 2 - Certifying Agents: Reporting Burden

Certifying agents are State, private, or foreign entities accredited by the USDA. There are currently 78 USDA-accredited certifying agents with 46 based in the United States and 32 based in foreign countries. AMS estimates the annual reporting burden hours for all certifying agents, including foreign accredited certifying agents will be 361,265.99 hours costing \$13,025,392.98. This ICR package adds new burden of .5 hours or 30 minutes for creating an account in the new Organic Integrity Database and to upload the basic data of each operation certified by certifying agents. New burden of 10 hours of annual training of 250 certification review personnel on the staff of certifying agents that has been recommended as a best practice is also included.

The costs for all domestic-based USDA accredited certifying agents will be \$9,492,565.52. This cost is based on an estimated 199,929.39 labor hours per year for staff with certification review responsibilities at \$45.91 per labor hour, including 31.7% benefits, for a total of \$9,178,882.29 per year. The estimated cost for domestic certifying agents also includes 13,217.54 labor hours per year for administrative support staff at \$23.73 per labor hour, including 31.7% benefits, for a total salary of \$313,683.23 per year.

For all foreign-based USDA-accredited certifying agents, AMS estimates the annual cost will be \$3,532,827.46 per year. This cost is based on an estimated 138,933.98 labor hours per year for staff at \$24.59 per labor hour, including 35.92% benefits, for a total of \$3,416,098.78 per year. The estimated cost for foreign-based USDA-accredited certifying agents also includes 9,185.07 labor hours per year for administrative support staff at \$12.71 per labor hour, including 35.92% benefits, for a total of \$116,728.68 per year.

SUMMARY TABLE 2	USDA Certifying Agents Reporting Burden			
Respondent Categories	Number of Respondents	Wage + Benefits	Total Reporting Hours	Total Reporting Costs
USDA U.S.-Based Certifiers	46	\$45.91	199,929.39	\$9,178,882.29
USDA U.S.-Based Certifiers- data entry	46	\$23.73	13,217.54	\$313,683.23

Total USDA U.S.- Based Certifiers ^{12,13}	46		213,146.93	\$9,492,565.52
USDA Foreign-Based Certifiers	32	\$24.59	138,933.98	\$3,416,098.78
USDA Foreign-Based Certifiers-data entry	32	\$12.71	9,185.07	\$\$116,728.68
Total USDA Foreign-Based Certifiers ^{14,15}	32		148,119.06	\$3,532,827.46
Total USDA Certifiers - All	78		361,265.99	\$13,025,392.98

Summary Table 3 – Inspectors, Petitioners and State Organic Program

Summary Table 3 shows the reporting burden and costs for 250 inspectors, 25 petitioners to National List of Allowed and Prohibited Substances, and one State Organic Program, a newly identified respondent category. There are 276 respondents with total burden hours calculated at 451,382.31 hours costing \$10,419,767.43 annually.

SUMMARY TABLE 3	Inspectors, Petitioners, and State Organic Program Reporting Burden			
Respondent Categories	Number of Respondents	Wage + Benefits	Total Reporting Hours	Total Reporting Costs
USDA U.S.- based Inspectors	148	\$28.45	265,825.86	\$7,562,001.49
USDA Foreign based inspectors	102	\$15.27	184,726.45	\$2,819,630.50
USDA Inspectors	250		450,552.31	\$10,381,631.99
Petitioners	25	\$45.95	750.00	\$34,462.60
State Organic Program	1	\$45.91	80.00	\$3,672.85
Total Others	276		451,382.31	\$10,419,767.43

Approximately 250 inspectors are currently inspecting crop, livestock, handling, and/or wild crop operations that are certified or have applied for certification.¹⁶ In this ICR, inspectors include 10 hours of training. AMS estimates annual reporting hours for all USDA inspectors to be 451,382.31 costing \$10,381,631.99. AMS estimates that 148 inspectors are domestic-based with 265,825.86 labor hours at \$28.45 per hour, including 31.7% benefits, costing

¹² National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, 13-041 Compliance Officers & 43-9199 Office & Administrative Support Workers https://www.bls.gov/oes/current/oes_nat.htm.

¹³ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14,2018: <https://www.bls.gov/news.release/ecec.nr0.htm>

¹⁴ , The source of the data is based on average World Bank wage rates for countries with USDA-accredited certifying agents which are 52% of U.S. labor rates. <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

¹⁵ The source of compensation rates is based on an average of Organization for Economic Co-Operation and Development (OECD) benefits compensation rates at 35.92% of wage rates for countries with USDA-accredited certifying agents. <https://stats.oecd.org/Index.aspx?DataSetCode=AWCOMP>.

¹⁶ International Organic Inspectors Association (IOIA), www.ioia.org

\$7,562,001.49.^{17,18} AMS estimates that 102 inspectors are foreign-based with 184,726.45 labor hours at \$15.27 per hour, including 35.92% benefits, costing \$2,819,630.50.^{19,20} There are 25 petitioners to the National List with reporting hours for filing petitions to be 750, costing \$34,462.60 annually.²¹ Total reporting hours for the California State Organic Program is estimated at 80 hours costing \$3,672.85 annually.^{22,23}

13. PROVIDE AN ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS FOR RECORDKEEPERS RESULTING FROM THE COLLECTION OF INFORMATION. (DO NOT INCLUDE THE COST OF ANY HOUR BURDEN SHOWN IN ITEMS 12 AND 14).

AMS has identified four primary types of entities (respondents) that need to submit and maintain information to comply with the National Organic Program: certified organic operations; accredited certifying agents; organic inspectors; and petitioners. Four respondent types—certified operations (producers and handlers), certifying agents, inspectors, and petitioners - have been identified in our currently approved information collection (0581-0191).

In this renewal, AMS is adding the State Organic Program as a new respondent category. A State Organic Program is not the same as a state agency accredited as an organic certifying agent. The State Organic Program enforces the federal Organic Foods Production Act (OFPA) in its state under the authority of AMS. Currently, the California State Organic Program²⁴ is the only State Organic Program. AMS has historically calculated their burden as part of the burden of the certifying agents since the burden of their information collection is highly like the information collection burden of certifying agents.

¹⁷ National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, 45-2011 Agricultural Inspectors https://www.bls.gov/oes/current/oes_nat.htm.

¹⁸ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14, 2018: <https://www.bls.gov/news.release/ecec.nr0.htm>

¹⁹ The source of the data is based on average World Bank wage rates for countries with USDA-accredited certifying agents which are 52% of U.S. labor rates. <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

²⁰ The source of compensation rates is based on an average of Organization for Economic Co-Operation and Development (OECD) benefits compensation rates at 35.92% of wage rates for countries with USDA-accredited certifying agents. <https://stats.oecd.org/Index.aspx?DataSetCode=AWCOMP>.

²¹ National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, 19-1012 Food Scientists and Technologists https://www.bls.gov/oes/current/oes_nat.htm.

²² National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, 13-041 Compliance Officers https://www.bls.gov/oes/current/oes_nat.htm.

²³ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14, 2018: <https://www.bls.gov/news.release/ecec.nr0.htm>

²⁴ The California State Organic Program: https://www.cdfa.ca.gov/is/i_&_c/organic.html

In addition, to more precisely understand the costs of the paperwork impacts of the NOP, AMS has divided the categories of all respondents into domestic and foreign, as appropriate. Using domestic wage and benefit rates to calculate the impacts of foreign operations has been inflating the NOP's paperwork costs since its implementation in 2002. For all respondents, AMS estimates: (1) the number of respondents; (2) the hours they spend, annually, creating and storing records to meet the paperwork requirements of the organic labeling program; and, (3) the costs of those activities based on prevailing domestic²⁵ and foreign²⁶ wages and benefits.^{27, 28}

As a reminder, for the 50,025 total reporting and recordkeeping respondents in this ICR package for the NOP, the total information collection for both reporting and recordkeeping is 5,667,276 hours with 1,102,684 total responses, 22.04 responses per respondent, and 5.14 hours per response at a total burden cost of \$223,148,917 annually for both reporting and recordkeeping. For each type of respondent, we describe the reporting burden in question #12 and the recordkeeping burden here in question #13.

TOTAL ALL RECORDKEEPING BURDEN COST: \$74,200,336

Estimate of Burden: Public recordkeeping burden for this collection of information is estimated to average 1 hour per response

Respondents: Certified operations, certifying agents, inspectors, petitioners, and a state organic program

Estimated Number of Recordkeeping Respondents: 49,750

Estimated Number of Recordkeeping Responses: 49,750

Estimated Total Recordkeeping Burden on Respondents: 1,803,395 hours

Estimated Total Recordkeeping Responses per Recordkeeping Respondents: 1 recordkeeping response per recordkeeping respondent

²⁵ The source of the specific hourly wage rates identified below is the National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, https://www.bls.gov/oes/current/oes_nat.htm.

²⁶ The source of the data is based on average World Bank wage rates for countries with USDA-accredited certifying agents which are 52% of U.S. labor rates. <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

²⁷ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14, 2018: <https://www.bls.gov/news.release/ecec.nr0.htm>

²⁸ The source of compensation rates is based on an average of Organization for Economic Co-Operation and Development (OECD) benefits compensation rates at 35.92% of wage rates for countries with USDA-accredited certifying agents. <https://stats.oecd.org/Index.aspx?DataSetCode=AWCOMP>.

AMS estimates that the public recordkeeping burden for this information collection renewal is estimated to be 1,803,395 hours per year at a cost of \$74,200,336 with a total number of 49,750 respondents. Respondents are comprised of currently certified operations, operations that will seek certification over the next 12 months, USDA accredited certifying agents, inspectors, petitioners, and State Organic Program in California. Each of the respondent categories are explained in more detail below.

TOTAL RECORDKEEPING SUMMARY	TOTAL NUMBER OF RECORDKEEPING RESPONDENTS	TOTAL RECORDKEEPING HOURS - ALL	TOTAL RECORDKEEPING COSTS - ALL
SUMMARY TABLES 4 AND 5	49,750	1,803,395	\$74,200,336

Summary Table 4 - Certified Organic & New Operations: Recordkeeping Burden

AMS estimates that the average annual recordkeeping burden for all 49,671 domestic and foreign certified organic producers and handlers to is 1,797,075 labor hours at an annual total cost of \$73,964,733.10. This is based on 1,057,403.45 hours for domestic operations at \$50.86 per labor hour, including 31.7% benefits,^{29,30} 734,805.79 hours per all foreign operations at \$27.13 per labor hour, including 35.92% benefits.^{31,32} This table also includes the 4,866.00 operations estimated to be exempt³³ producers and handlers at \$50.86 per labor hour, including 31.71% benefits.^{34,35}

²⁹ The source of the specific hourly wage rates identified below is the National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, 11-9013 Farmers, Ranchers, and Other Agricultural Managers, https://www.bls.gov/oes/current/oes_nat.htm.

³⁰ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14,2018: <https://www.bls.gov/news.release/ecec.nr0.htm>

³¹ The source of the data is based on average World Bank wage rates for countries with USDA-accredited certifying agents which are 52% of U.S. labor rates. <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

³² The source of compensation rates is based on an average of Organization for Economic Co-Operation and Development (OECD) benefits compensation rates at 35.92% of wage rates for countries with USDA-accredited certifying agents. <https://stats.oecd.org/Index.aspx?DataSetCode=AWCOMP>.

³³ Certified Organic Survey, 2016 Summary: September 2017, https://downloads.usda.library.cornell.edu/usda-esmis/files/zg64tk92g/70795b52w/4m90dz33q/OrganicProduction-09-20-2017_correction.pdf.

³⁴ The source of the specific hourly wage rates identified below is the National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, 11-9013 Farmers, Ranchers, and Other Agricultural Managers https://www.bls.gov/oes/current/oes_nat.htm.

³⁵ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14,2018: <https://www.bls.gov/news.release/ecec.nr0.htm>

SUMMARY TABLE 4	USDA Certified Operations Recordkeeping Burden			
Respondent Categories	Number of Respondents	Wage + Benefits	Total Recordkeeping Hours	Total Recordkeeping Costs
USDA Certified Producers & Handlers - New and Existing Domestic	26,435	\$50.86	1,057,403.45	\$53,782,225.35
USDA Certified Producers & Handlers - New and Existing Foreign	18,370	\$27.13	734,805.79	\$19,935,010.63
Exempt (<\$5,000 in sales) Producers & Handlers - Domestic	4,866	\$50.86	4,866.00	\$247,497.12
USDA Organic Operations - All	49,671		1,797,075	\$73,964,733.10

Summary Table 5 - Certifying Agents and State Organic Program: Recordkeeping Burden

This summary table shows the recordkeeping burden hours and costs for certifying agents and the California State Organic Program. Inspector and petitioners do not have recordkeeping burdens. AMS estimates the annual recordkeeping burden hours for both domestic- and foreign- based USDA accredited certifying agent at 6,240 hours totaling \$231,930.29. The costs for all domestic-based USDA accredited certifying agents will be \$169,024.54. This cost is based on an estimated 3,681.60 labor hours per year at \$45.91 per labor hour, including 31.7% benefits.^{36, 37}

For all foreign-based USDA-accredited certifying agents, AMS estimates the annual cost for recordkeeping at \$62,905.75 per year. This cost is based on an estimated 2,588.40 labor hours per year at \$24.59 per labor hour, including 35.92% benefits.^{38,39} Currently there is only one State Organic Program, California. AMS estimates the total recordkeeping burden hours for California Organic Program to be 80 costing \$3,672.85 annually.^{40,41}

³⁶ The source of the specific hourly wage rates identified below is the National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, https://www.bls.gov/oes/current/oes_nat.htm.

³⁷ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14,2018: <https://www.bls.gov/news.release/ecec.nr0.htm>

³⁸ , The source of the data is based on average World Bank wage rates for countries with USDA-accredited certifying agents which are 52% of U.S. labor rates. <https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD>.

³⁹ The source of compensation rates is based on an average of Organization for Economic Co-Operation and Development (OECD) benefits compensation rates at 35.92% of wage rates for countries with USDA-accredited certifying agents. <https://stats.oecd.org/Index.aspx?DataSetCode=AWCOMP>.

⁴⁰ National Compensation Survey: Occupational Employment and Wages, May 2018, published by the Bureau of Labor Statistics. Bureau of Labor Statistics, Occupational Employment and Wages, 13-041 Compliance Officers https://www.bls.gov/oes/current/oes_nat.htm.

⁴¹ Bureau of Labor Statistics News Release on Employer Costs for Employee Compensation, Wages account for 68.3% and Benefits account for 31.7% of total average employer compensation costs, December 14,2018:

SUMMARY TABLE 5		USDA Certifying Agents & State Organic Program Recordkeeping Burden		
Respondent Categories	Number of Respondents	Wage + Benefits	Total Recordkeeping Hours	Total Recordkeeping Costs
USDA U.S.-Based Certifiers	46	\$45.91	3,681.60	\$169,024.54
USDA Foreign-Based Certifiers	32	\$24.59	2,558.40	\$62,905.75
Total USDA Certifiers-All	78		6,240.00	\$231,930.29
State Organic Program	1	\$45.91	80.00	\$3,672.85
Total USDA Certifiers and State Organic Program	79		6,320.00	\$235,603.14

- **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 WOULD 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.**

(a) Capital and Start-up Costs

There are no capital and start-up costs.

(b) Total Operation and Maintenance Costs for each Certifying Agent

Computers (equipment and software)	\$ 2,000
Filing cabinets and storage	\$ 1,500
Supplies (paper)	\$ 900
Postage (decrease due to electronic communications)	\$ 500
Telephone	\$ 400
	<hr/>
	\$ 5,300

- (c) The operation and maintenance costs are based on our best estimate of the additional expenses a certifying agent might incur as a result of compliance with the OFPA and the regulations.

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.

We estimate the annual cost to operate the NOP at approximately \$9 million. These costs include salaries and benefits; travel and transportation; rent, communications, utilities; printing; contractual services; supplies; and equipment. The NOP currently operates on appropriated funds.

NOP Costs to prepare and maintain the information collections:

GS 13 Salary & Benefits (160 hours - 7.7% of time and benefits)	\$ 12,187
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Employee Overhead – space, equipment, supplies, paper (7.7%)	\$	3,850
OGC review rate * 5 hours	\$	752
Contractual Services	\$	-
Federal Register Notice (3 pages)	\$	1,359
Travel & Training	\$	-
		<hr/>
	\$	18,148

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

There is an overall increase of 374,293 burden hours from the last submission. This adjustment increase is due to the following 3 changes: (1) an increase in the reporting and recordkeeping burden associated with a 11.5 percent increase in certified operations (31,000 to 44,805) since the last submission; (2) certifying agent account creation and data entry in the new Organic Integrity Database, and (3) a small increase in the hours of inspectors and certification review personnel of 10 hours per year for training. Question 15 Breakout document is uploaded in Supplementary Documents.

16. FOR COLLECTIONS OF INFORMATION WHOSE RESULTS WOULD 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.

No publication of data obtained through the regulation is planned.

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.

We will put an expiration date on the forms upon OMB’s approval of this ICR.

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

This information collection does not employ statistical methods.