

UNITED STATES DEPARTMENT OF AGRICULTURE
Farm Service Agency
OMB Number 0560-0265
Critical Customer Data

Purpose:

Farm Service Agency is requesting OMB approval on a revision of a currently approved information collection; Customer Data Worksheet - form AD-2047.

Farm Service Agency (FSA), Natural Resource Conservation Service (NRCS) and Rural Development (RD) share and utilize the Customer Record Management – Business Partner (CRM-BP) and Service Center Information Management System (SCIMS) databases used to maintain and manage customer profile data. The SCIMS database is updated with customer information managed in CRM-BP.

FSA assists the Risk Management Agency (RMA) by administering conservation compliance for producers participating in crop insurance programs. FSA also assists the Agricultural Marketing Service (AMS) by accepting applications and paying organic farm producers seeking cost-share assistance through the Organic Certification Cost Share Program (OCCSP) and taking acreage reports from producers for hemp.

Form AD-2047 serves as a source document and is used to ensure that CRM-BP and customer profiles are accurately recorded and maintained. Form AD-2047 collects required information to establish a customer record necessary for all programs administered by the Agencies previously mentioned.

AD-2047 is used to document who received the customer data, who updated the respective data in BP and when it was updated. This information collection establishes a system to document and track the customer data entries and changes in Critical Customer Data Changes, ensuring compliance with OMB's A-123 audit report.

Core Customer Data is maintained in CRM-BP for persons who are individuals or legal entities and includes:

- Name and Business Type
- Birthdate for customers who are minor children
- Address
- SSN or Taxpayer Identification Number
- U.S. Citizenship status
- Race, Ethnicity and Gender
- Contact information

FSA is proposing revision to the current AD-2047 to add items for collecting the customer business type, birthdates for minor children, residency status, and demographic information.

The customer business type is necessary for positively identifying the customer as an individual person or specific type of legal entity. The customer business type is also used to ensure the proper determinations of eligibility are made, consistent with rules for the specific business type.

The birthdate for customers who are minors is critical information for USDA to ensure proper authority is documented when a minor child is executing USDA contracts, applications and other USDA documents. Collecting the birthdate is only required for individual persons who are minors at the time the AD-2047 is completed. Minor children are not able to execute any USDA document without the signature of a parent or legal guardian. Knowing a minor child's birthdate is necessary for: (1) ensuring that FSA is properly obtaining signatures of the minor child's parent or legal guardian when the minor child is completing contracts and applications for program benefits and (2) ensuring that FSA properly determines the payment limitation applicable to a minor child and the parents or legal guardians. The earnings of the minor child are combined with the parent or legal guardian and is subject to only (1) payment limitation.

A customer's citizenship status is necessary for determining eligibility for certain USDA benefits. Most customers are U.S. Citizens or Resident Aliens. For those customers who are not a U.S. Citizen or Resident Alien, program eligibility may be affected. For example, applicants for livestock disaster benefits who are not a U.S. Citizen or Resident Alien are ineligible for program participation. Citizenship information is not required unless application for program benefits is made.

FSA has also simplified the collection of email contact information. The revised form now only collects the customer's email address and identifies whether the customer wishes to receive sensitive (but non-PII) producer or farm specific related emails.

Form AD-2047 is revised to remove the question "Does the customer want to receive mail by USPS". This question confused customers who responded "no" and who continued to receive mail from FSA. FSA contracts program announcements and availability through a 3rd party vendor who sends mail to all customers regardless of their response to this question to ensure everyone is aware of the availability of USDA programs.

Form AD-2047 is also being revised to provide an alternative for FSA and NRCS farm and conservation program customers to *voluntarily* disclose information regarding their ethnicity, race and gender as a part of their demographic information. Form AD-2047 is universal for all USDA customers and supports paperwork reduction by not requiring collection of the information on each contract and application for all other farm and conservation programs administered by USDA.

Departmental Regulation (DR4370-001) establishes USDA's policy for collecting demographic information for race, ethnicity and gender on form AD-2106. OMB has approved additional FSA Farm Loan Program forms to collect race, ethnicity and gender information when the customer is an FSA Farm Loan applicant:

- FSA-2001
- FSA-2211
- FSA-2212
- FSA-2301
- FSA-2683

The AD-2047 is also used by customers to request changes to their customer profile when changes are necessary.

Based on recommendation from the National Association of County Office Employees (NASCOE), Part B, item number 13 was added for employees to document the customer's County Committee Local Administrative Area (LAA) for committee elections.

1. Explain the circumstances making collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

Core Customer Data is required to positively identify USDA program participants who are individual persons and legal entities. The Core Customer Data is necessary to ensure benefits are issued to the correct customer and valid Taxpayer Identification Numbers. USDA requires this data to ensure that customers can be validated with the IRS and also to provide a necessary basis for pursuing legal remedies in the event of error or fraud. There is no public law regarding the use or collection of Core Customer Data.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

Form AD-2047 is used by individual persons and authorized representatives of a legal entity to provide USDA with Core Customer Data necessary to update and maintain the customer's profile in CRM-BP. Form AD-2047 is used by new customers as well as existing customers needing to report changes to their customer profile.

Most of the time, the Core Customer Data is provided to FSA while a customer is physically visiting the USDA Service Center and is provided directly to a service center employee. The customer also has the options to fax, e-mail or call the Service Center to provide the required information for the AD-2047 if they are unable to physically visit the Service Center. Customer address information may also be received by an external source such as the United States Postal Service when mail routes change, and bulk customer data updates are required. Such documentation received in this manner is attached to form AD-2047.

Core Customer Data is critical information used to positively identify a customer and to determine eligibility for many USDA programs administered by FSA, NRCS, RD, RMA and/or AMS.

Important Core Customer Data includes:

- the name and address of a customer which is used in conjunction with business type and taxpayer identification number to positively identify a customer.
- the business type of the customer identifies whether the customer is an individual person, or a legal entity such as a corporation, limited liability company, limited partnership, trust, estate, general partnership or a joint venture. The business type is an element used in conjunction with the name and taxpayer identification number to positively identify a customer.
- valid taxpayer identification numbers are provided by a customer and verified with the IRS to match the name to which the identification number belongs before program benefits are issued.
- the citizenship status of a customer affects the eligibility of that customer to participate in certain USDA programs.
- Birthdates for customers who have not yet reached the legal age of majority is important for

determining voter eligibility in County Committee elections and participation in certain USDA programs.

- demographic information voluntarily provided by a customer is used in reporting to Congress and ensuring program participation is available to members of socially disadvantaged groups. Race, ethnicity and gender data collected is NOT used by USDA to determine an applicant's eligibility for programs or services for which they apply.
- contact information is necessary for outreach purposes and communicating with the USDA customer.

Positively identifying a customer is also necessary for ensuring benefits are not provided to ineligible customers who have been identified by the Social Security Administration to be deceased. FSA routinely receives a report from the Social Security Administration identifying customers in USDA's system of records who are deceased.

Form AD-2047 is also used to document which Agency received the Core Customer Data, when and how it was received and the name of the Service Center employee who received the information. The form provides a method to document the creation and maintenance of the customer record.

Form AD-2047 is for internal agency uses only and maintained under the universal filing code. The USDA Service Center will maintain the original, signed and dated AD-2047 on file for the purpose of creating and maintaining the customer data.

- 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 customers will have the options to FAX, e-mail or call the Service Center to provide a service center employee the required information to complete the form. The electronic form will also be available on the Internet to the public for customers to complete themselves and submit to their local Service Center. Service Center employees then document the received changes and update the customer's record in CRM-BP/SCIMS accordingly. The customers are not required to sign the form and they simply just provide any update to their basic required information to the service center employees to add or update their data in CRM-BP/SCIMS.

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

The form is used by FSA, NRCS and RD and data will be shared and utilized by common agency customers as applicable. Form AD-2047 is used to collect customer data when the customer is not a customer of FSA, NRCS or RD, but is a participant in an RMA crop insurance program or AMS organic cost-share program. For example, an insured producer through a crop insurance program is required to certify compliance with Highly Erodible Land and Wetland Conservation requirements. Although the customer may not be a direct customer of FSA's programs, the customer data is necessary to positively identify the customer and eligibility to participate in RMA's crop insurance program.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

Collection of this information will not create undue burden on small businesses or other small entities, as only a minimal amount of data is normally required from both businesses and individuals alike to update the customer's record. The number of small businesses or entities is 65,900 in this collection.

6. Describe the consequences 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.

Failure to collect and timely maintain the data collected will result in erroneous or outdated point of contact information, which could result in program information and benefits being directed to incorrect recipients.

There are no technical or legal obstacles which we are aware of which would reduce burden.

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;** Dependent on a customer's data changes; a respondent may need to report applicable information 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;** No.
- **requiring respondents to submit more than an original and two copies of any document;** No.
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;** No.
- **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;** No.
- **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;** No.
- **that includes a pledge of confidentiality that is not supported by authority established in statute 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.
- **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.** No.

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.

Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instruction and record keeping, 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 three 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 Federal Register Notice was published on April 9, 2020 at 85 FR 19920. There were no public comments received in this notice.

Three persons were contacted below with the following comments on the collection.

Amanda Brosch, Program Specialist MO State FSA Office
Columbia, MO 65203

“I really like the proposed changes to the form. We are having some large entities apply for payments (DMC and CFAP) where the addition of the residency status will come in very helpful in collecting that information about members of those entities and also helps us find an appropriate way to approach the subject with a producer. Overall, I think it is a great re-vamp of the form!”

Damon Stormo, County Executive Director, Hamlin County FSA
Hayti, SD 57241

“1. Regardless if they want to receive GovDelivery emails, just to have their email and if they wish to do business with email would be great. 2. GovDelivery Text messages- if an item could be added to check if the customer wants to receive messages via text message through GovDelivery and then if the office staff could upload in GovDelivery.”

Jared Zimprich, Producer
Watertown, SD 57201

“Seems pretty easy and straight forward is gathering the info it’s looking for”.

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.

Form AD-2047 is for internal agency use only and is maintained under the universal filing code. Information collected on form AD-2047 is exempt from release under FOIA Exemption 6 (5 U.S.C 552 (b)(6)).

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior

or 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.

Part A; Items 6A, 6B and 6C provide opportunity to the respondent to *voluntarily* provide ethnicity, race and gender information on AD-2047 as an alternative to responding on form AD-2106. Demographic information is used by USDA for statistical purposes including reporting to Congress and ensuring program participation is available to members of socially disadvantaged groups. Demographic information is NOT used to determine an applicant's eligibility for programs or services for which they apply.

12. Provide estimates of the hour burden of the collection of information. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.

FSA estimates that 109,774 requests from new and existing customers will be made to update and maintain Core Customer Data through the use of form AD-2047. These estimates are based on an annual average of Core Customer Data updates calculated using a history of actual subject changes recorded by USDA/FSA/ADC/PARMO.

Collection of the information is on an intermittent basis dependent on new and existing customers. The original AD-2047 will be maintained in the USDA Service Center for 10 years after the applicable Core Customer Data change is documented.

Providing the information applicable to the AD-2047 is estimated to take 0.05 hours per response. Travel time is excluded in this estimate as producers will not be required to make a special trip to a USDA Service Center to provide the information, but rather provide the data during routine visits to conduct regular business.

Respondent cost per hour was derived by using U.S. Bureau of Labor Statistics Occupational Employment and Wages, May 2020, 11-9013 Farmers, Ranchers, and Other Agricultural Managers. The U.S. mean household income, as measured by the Bureau of Labor, is \$37.51. Fringe benefits for all private industry workers are an additional 29.9 percent, or \$12.36, resulting in a total of \$49.87 per hour.

We estimate the annual burden for providing the information at 5,489 hours. This was calculated by multiplying the annual average number of respondents by the average number of responses per respondent, multiplied by the estimated response time ($109,774 \times 1.0 \times 0.05 = 5,489$ hours).

The estimate of annualized cost to respondents is estimated to be \$273,736 ($\$49.87 \times 5,489$ hours).

All Core Customer Data change forms are filed for a period of 10 years.

13. Provide estimates of the total annual cost burden to respondents or record keepers resulting from the collection of information, (do not include the cost of any hour burden shown in items 12 and 14). The cost estimates should be split into two components: (a) a total capital and start up cost component annualized of its expected useful life; and (b) a total operation and

maintenance and purchase of services component.

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

14. Provide estimates of annualized cost to the Federal government. Provide a description of the method used to estimate cost and any other expense that would not have been incurred without this collection of information.

The cost of form development, printing and distribution is minimal because the forms are computer generated. County employee cost per response is equal .05 hours for completion of the application form multiplied by \$27.21 (estimated county employee average hourly wage; based 2020 General Schedule, Grade 7, Step 6). Fringe benefits for all government workers are an additional 31 percent, or \$8.43, resulting in a total of \$35.64 per hour. The total annualized cost to the Federal Government is \$195,617 (\$35.64 x 109,774 responses).

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-1.

The number of respondents and responses have increased by 52,848 because FSA added AMS and RMA since the last OMB approval. The burden hours decreased by 4,189 hours (9,678-5,489) due to the average time changed from 10 minutes to 3 minutes for the form of AD-2047.

16. For collections of information whose results are planned to be published, outline plans tabulation and publication.

The information collected is not intended for publication.

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

FSA is displaying the OMB expiration date in the form of AD-2047.

18. Explain each exception to the certification statement identified in Item 19 “Certification for Paperwork Reduction Act.”

FSA is able to certify compliance with all provision under Item 19 of OMB Form 83-1.