

2020 SUPPORTING STATEMENT
Federal Marketing Order for Oranges, Grapefruit,
Tangerines and Pummelos Grown in Florida
(Proposed Rule)
OMB NO. 0581-NEW

Note to Reviewer: Upon receiving OMB's approval of form CAC-500, AMS will submit a request to merge the form into OMB No. 0581-0189 Fruit Crops.

A. JUSTIFICATION

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

Marketing orders and marketing agreements are authorized by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601-674; Act). This legislation permits the regulation of certain agricultural commodities for the purpose of providing orderly marketing conditions in interstate and intrastate commerce and improving returns to producers. The Act provides in section 608(d)(1) that information necessary to determine the extent to which an order has effectuated the declared policy of the Act shall be furnished at the request of the Secretary of Agriculture (Secretary).

This information collection is necessary for the Secretary and the various committees to monitor adherence to the marketing order regulations. The Citrus Administrative Committee administers a Federal marketing order for oranges, grapefruit, tangerines and pummelos grown in Florida. In response to a Committee recommendation, the Agricultural Marketing Service (AMS) is conducting rulemaking on a new form that would enable the Committee to require handling operations, which pack and place regulated citrus products into commerce, register with the Committee one time per year. The rulemaking proceeding would amend 7 CFR Part 905.

2. INDICATE HOW, BY WHOM, HOW FREQUENTLY, 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.

Marketing orders and marketing agreements, along with the rules and regulations issued thereunder, authorize AMS-supervised and industry-operated committees to collect certain information from handlers and producers (7 CFR Part 900). As a convenience to the handlers who submit this information, AMS and the Committee have created the form described below as a means for providing the requested information for compliance and tracking purposes. The form requires the minimum information necessary to effectively carry out the requirements of the Florida citrus marketing order.

a. Application for Registration as Fresh Citrus Handler, CAC-500 (§§ 905.107):

The Committee would issue this form to handlers of citrus regulated by the marketing order for completion at the beginning of each fiscal period. Through the CAC-500, Committee staff asks for the business name of the applicant, their mailing and physical address, phone number, email address, and the number of years they have been involved in the Florida citrus industry.

- 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.**

Upon approval, the Committee staff will use the form to determine the number and identity of companies handling Florida citrus under producer-supported marketing order regulations. The availability and submission of all forms electronically is at the Committee's discretion. Committee staff regularly review its collection of forms and seeks to identify changes to its information collection needs. This is one of those instances in which the Committee seeks to use the marketing order to better understand the evolving needs and characteristics of companies that make up the changing industry characteristics.

- 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.**

AMS employees coordinate regularly with Committee staff to review reports and forms to avoid unnecessary duplication of information collection by industry and public sector agencies. The effort helps ensure information collection is facilitated as efficiently as possible. At the present time, there is no duplication between Federal agencies. AMS and Committee staff will ensure the collection of such information will not overlap with the Florida Department of Agriculture and Consumer Services' efforts to license handlers under a state inspection program.

- 5. IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES (ITEM 5 OF THE OMB FORM 83-I), DESCRIBE THE METHODS USED TO MINIMIZE BURDEN.**

Information collection requirements have been reduced to the minimum requirements of each marketing order. Forms require only a minimal amount of information, which can be supplied without data processing equipment or a trained statistical staff. The primary sources of data used to complete the forms are routinely used in all business transactions. Thus, the information collection and reporting burden is relatively small, and requires the same reporting requirements for all handlers and receivers. It does not significantly disadvantage

any handler or receiver that is smaller than industry average. There are approximately 20 handlers of Florida citrus who are subject to marketing order regulations. Small agricultural service firms are defined by the Small Business Administration (SBA) as those having annual receipts of less than \$35,000,000 (13 CFR 121.201). According to the National Agricultural Statistics Service, the weighted average FOB price for fresh Florida citrus for the 2018-19 season was about \$16.69 per carton with total shipments of around 9 million cartons. Using the number of handlers, and assuming a normal bell-curve distribution, approximately 80% or 16 handlers have average annual receipts of less than \$35,000,000 (\$16.69 times 9,023,704 cartons equals \$150,627,700 divided by 20 handlers equals \$7,531,385 per handler).

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 this information collection was not conducted, not only would the Secretary lose his ability to administer the marketing order, but the Committee also would not be able to enhance its ability to monitor handler compliance with the producer-supported marketing order. This form will enable the Committee to better determine the assessments due from industry handlers, which enhances its impact on the Committee's market-building activities.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES THAT WOULD CAUSE AN INFORMATION COLLECTION TO BE CONDUCTED IN A MANNER:

- REQUIRING RESPONDENTS TO REPORT INFORMATION TO THE AGENCY MORE OFTEN THAN QUARTERLY;**

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

- REQUIRING RESPONDENTS TO SUBMIT MORE THAN AN ORIGINAL AND TWO COPIES OF ANY DOCUMENT;**

- REQUIRING RESPONDENTS TO RETAIN RECORDS, OTHER THAN HEALTH, MEDICAL, GOVERNMENT CONTRACT, GRANT-IN-AID, OR TAX RECORDS FOR MORE THAN 3 YEARS;**

- IN CONNECTION WITH A STATISTICAL SURVEY, THAT IS NOT DESIGNED TO PRODUCE VALID AND RELIABLE RESULTS THAT CAN BE GENERALIZED TO THE UNIVERSE OF STUDY;**

- REQUIRING THE USE OF A STATISTICAL DATA CLASSIFICATION THAT**

HAS NOT BEEN REVIEWED AND APPROVED BY OMB;

- THAT INCLUDES A PLEDGE OF CONFIDENTIALITY THAT IS NOT SUPPORTED BY AUTHORITY ESTABLISHED IN 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**
- 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 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.**

A 60-day notice was published in the Federal Register on May 7, 2020 (Vol. 85, No. 85, page 27159). The comment period ends July 6, 2020.

- DESCRIBE EFFORTS TO CONSULT WITH PERSONS OUTSIDE THE AGENCY TO OBTAIN THEIR VIEWS ON THE AVAILABILITY OF DATA, FREQUENCY OF COLLECTION, THE CLARITY OF INSTRUCTIONS AND RECORDKEEPING, DISCLOSURE, OR REPORTING FORMAT (IF ANY), AND ON THE DATA ELEMENTS TO BE RECORDED, DISCLOSED, OR REPORTED.**
- CONSULTATION WITH REPRESENTATIVES OF THOSE FROM WHOM INFORMATION IS TO BE OBTAINED OR THOSE WHO MUST COMPILE RECORDS SHOULD OCCUR AT LEAST ONCE EVERY 3 YEARS -- EVEN IF THE COLLECTION OF INFORMATION ACTIVITY IS THE SAME AS IN PRIOR PERIODS. THERE MAY BE CIRCUMSTANCES THAT MAY PRECLUDE CONSULTATION IN A SPECIFIC SITUATION. THESE CIRCUMSTANCES SHOULD BE EXPLAINED.**

The Committee meets throughout the year to assess the marketing order's

regulatory and information needs. AMS employees participate in each meeting to ensure discussions comply to agency policies and to be a resource to Committee members and staff when discussing complex regulatory actions, including any related to forms and information collections. The Committee assesses the type of information that is collected, maintain contact with industry representatives and trade associations to ensure their utmost efficiency, and endeavor to consult with representatives from whom the information is to be obtained at least every three years. In addition, notices of Committee meetings are sent to all those associated with the industry, and any concerns regarding industry or Committee issues are welcome. Creation of the new CAC-500 form has been discussed with the following personnel after it was recommended by citrus producers and handlers serving as Committee members:

Citrus Administrative Committee, Manager, Peter Chairs, (863) 682-3103
Citrus Administrative Committee, Chairman, Tom Mitchell, (772) 562-4155
AMS Regional Director, Christian Nissen, (863) 324-3375
AMS Senior Marketing Specialist, Jen Varela, (863) 324-3375

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

Respondents are not provided with gifts or payments for providing information.

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

Section 608(d) of the Act provides that information acquired is kept confidential. Reports submitted to the Committees are accessible only by the Committee manager and staff, AMS field office employees, and certain USDA employees in Washington, D.C. Committee members have access to handler reports and assessment records for the purpose of administering compliance with the marketing orders, and determining assessments, but are under strict orders to maintain the confidentiality of this information by securing these records under lock and key. AMS personnel regularly review parameters and precautions with Committee staffs to avoid penalties for violating confidentiality requirements. The CAC-500 form seeks business-related information only that is not considered confidential in nature.

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).

Questions of a sensitive nature are not included on any form in this information collection.

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

The number of responding handlers who would be required to file the CAC-500 form is approximately 20, based on the knowledge of citrus growers and handlers serving as Committee members. See AMS-71 spreadsheet for breakout.

- ▣ **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.**

See AMS-71 spreadsheet for breakout of burden.

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

The respondents' estimated annual cost of providing information to the Committee is approximately \$167.01. This total has been estimated by multiplying 3.3 hours (total burden hours) by \$50.61. This is based on the average median hourly wage rate of \$38.43 with an additional 31.7 percent to account for benefits and compensation, for an hourly wage total of \$50.61. Annual cost for this collection is estimated using the national mean hourly rate of \$38.43 of Farm, Ranch, and Other Agricultural Managers, (<https://www.bls.gov/oes/current/oes119013.htm>), published by the Bureau of Labor Statistics in May 2018. Costs of benefits and compensation guidance provided by Bureau of Labor Statistics News Release issued on December 14, 2018. (https://www.bls.gov/news.release/archives/ecec_12142018.htm)

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

- ▮ **THE COST ESTIMATE SHOULD BE SPLIT INTO TWO COMPONENTS: (a) A TOTAL CAPITAL AND START-UP COST COMPONENT (ANNUALIZED OVER ITS EXPECTED USEFUL LIFE); AND (b) A TOTAL OPERATION AND MAINTENANCE AND PURCHASE OF SERVICES COMPONENT. THE ESTIMATES SHOULD TAKE INTO ACCOUNT COSTS ASSOCIATED WITH GENERATING, MAINTAINING, AND DISCLOSING OR PROVIDING THE INFORMATION. INCLUDE DESCRIPTIONS OF METHODS USED TO ESTIMATE MAJOR COST FACTORS INCLUDING SYSTEM AND TECHNOLOGY ACQUISITION, EXPECTED USEFUL LIFE OF CAPITAL EQUIPMENT, THE DISCOUNT RATE(S), AND THE TIME PERIOD OVER WHICH COSTS WILL BE INCURRED. CAPITAL AND START-UP COSTS INCLUDE, AMONG OTHER ITEMS, PREPARATION 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.**

There are no start-up/capital or operations/maintenance costs associated with this collection.

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.

The estimated annual cost to the Federal government for this information collection and processing is \$229.40. The cost was developed by estimating the number of hours that agency employees will spend in the preparation of this information collection package (5 hours) at approximately \$45.88 per hour. This is based on the average median hourly wage rate of \$33.34 with an additional 37.6 percent to account for benefits and compensation, for an hourly wage total of \$45.88. Costs of benefits and compensation guidance provided by Bureau of Labor Statistics News Release issued on December 14, 2018.

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

The Agency is requesting approval for 3.3 burden hours, based on 20 annual responses. The CAC-500 form is new and, once approved, is intended to be folded into OMB 0581-0189 Fruit Crop so that the CAC-500 is included with other forms used by the Committee in its administration of the Federal marketing order for Florida citrus. Total burden hours for OMB 0581-0189 would increase from 7,780 to 7,783 as a result of this action.

16. FOR COLLECTIONS OF INFORMATION WHOSE RESULTS ARE PLANNED TO 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.

There are no plans to publish any information or data collected.

17. IF SEEKING APPROVAL TO NOT DISPLAY THE EXPIRATION DATE FOR OMB APPROVAL OF THE INFORMATION COLLECTION, EXPLAIN THE REASONS THAT DISPLAY WOULD BE INAPPROPRIATE.

The CAC-500 form indicates X/XXX for the expiration date. When OMB approves the collection, AMS will add the appropriate expiration date that appears on the Notice of Action completing the approval and renewal.

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

The Agency is able to certify compliance with all provisions under item 19 of OMB form 83-I.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This collection of information does not employ statistical methods.