

Supporting Statement
Organic and Transitional Education and Certification Program (OTECP)
OMB control number-0560-NEW

FSA is requesting **EMERGENCY CLEARANCE by September 20, 2012** because USDA has directed FSA to implement OTECP to assist certified organic operations and operations transitioning to organic production, which incur significant costs to obtain or renew USDA organic certification each year. The economic challenges due to the COVID-19 pandemic have made obtaining and renewing USDA organic certification financially challenging for many operations. USDA has determined there are available funds from the CARES Act that remain available until expended to use to prevent, prepare for, and respond to coronavirus by providing support for agricultural producers impacted by coronavirus, including producers of specialty crops, producers that supply local food systems, including farmers markets, restaurants, and schools, and livestock producers, including dairy producers.

1. Circumstances that make the collection of information necessary.

FSA will issue payments under the Coronavirus Aid, Relief, and Economic Stability (CARES) Act of up to \$20 million to assist certified organic operations and transitional operations with eligible expenses related to obtaining or renewing organic certification and eligible educational expenses. During the COVID-19 pandemic, these operations faced challenges due to loss of markets, increased costs, and labor shortages, in addition to costs related to obtaining or renewing their USDA organic certification, which producers and handlers of conventionally produced commodities do not incur. Transitional operations also faced the financial challenge of implementing practices required to obtain USDA organic certification without being able to obtain the premium prices associated with certified organic commodities. Further, for organic operations requesting an addition or update to their existing certification, the new land or facility must quickly move through the certification process, which typically includes an on-site inspection. Certified organic products must also meet very specific packaging and labeling requirements. Overall, this leads to reduced flexibility and unique supply chain challenges for organic businesses and farms when on-site inspections are not possible, as has often been the case during the COVID-19 pandemic.

In order to determine whether a producer is eligible for OTECP and to calculate a payment, an applicant is required to submit form FSA-883, Organic and Transitional Education and Certification Program (OTECP). Applicants must also have the following forms on file with FSA: AD-2047, Customer Data Worksheet, and SF-3881, ACH Vendor/Miscellaneous Payment Enrollment Form.

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

This is a new information collection request. The information submitted by respondents will be used by FSA to determine eligibility and issue payments to eligible applicants under OTECP.

Applicants will complete the following forms to apply for OTECP payments:

FSA-883, Organic and Transitional Education and Certification Program (OTECP)—Applicants must submit this form in order to be eligible for OTECP payment. Applicants will be providing OTECP information to the FSA County employee by either in person, or by email or fax. The FSA county office staff will manually enter the information into an automated system.

AD-2047, Customer Data Worksheet—This form is required to collect basic customer information necessary to establish the applicant's record in FSA's Business Partner system and issue a payment. Applicants must submit this form if not already on file with FSA.

SF-3881, ACH Vendor/Miscellaneous Payment Enrollment Form (OMB control number: 1530-0069)—This form is required to obtain information necessary to issue payments by direct deposit. Applicants must submit this form if not already on file with FSA. FSA will request to use the form via common form.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decisions for adopting this means of collection. Also describe any consideration of information technology to reduce burden.

The applicants will submit an OTECP application to an FSA County Office in person or by E-mail or fax. Then, FSA county office staff will enter the application into an automated system.

Also, OTECP applicants must submit the following forms if not already on file with FSA: AD-2047, Customer Data Worksheet, and SF-3881, ACH Vendor/Miscellaneous Payment Enrollment Form. Applicants who previously applied for the Organic Certification Cost Share Program (OCCSP) through FSA county offices will have previously filed AD-2047 and SF-3881; however, applicants who have applied for OCCSP through their State departments of agriculture and have not participated in other FSA programs will need to submit those forms.

The electronic form versions are available in the USDA eForms website:
<https://forms.sc.gov.usda.gov/eForms/welcomeAction.do?Home>.

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

The OTECP application is a new information collection; therefore, no similar form exists.

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

The information collected does not adversely impact small businesses or other small entities. There are 10,998 small businesses or entities. This estimate is 83 percent of the total respondents.

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

Failure to solicit applications will result in failure to provide payments to eligible applicants as intended by the CARES Act. Because of the short time period to receive applications and distribute payments and the need for county offices to complete portions of the application form, applications must be taken at county offices and entered in the automated system.

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;**

None.

- **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

None.

- **Requiring respondents to submit more than an original and two copies of any document;**

None.

- **Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**

None.

- **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;**

None.

- **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**

None.

- **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**

None.

- **Requiring respondents to submit proprietary trade secret, 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.**

None.

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

This is a new information collection request. The Notice of Fund Availability (NOFA) will be published in the Federal Register and will include the 60-day comment period required by the PRA. FSA will get 3 names for consultation on OTECP information collection request for the regular submission.

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

There is no payment or gift given to respondents.

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

All information collected is treated as confidential. Agency policy prohibits the giving out of individual information. This information is handled according to the Privacy Act and Freedom of Information Act.

11. Provide additional justification for any question of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

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

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

USDA estimates that up to 13,250 producers may apply for OTECP payments. See the Reporting and Recordkeeping Requirements spreadsheet that contains all the numbers for each form.

The annual burden for this information collection package is 22,450 hours.

FSA-883, Organic and Transitional Education and Certification Program (OTECP)—Applicants are required to submit this form to be eligible for OTECP payment. The estimated burden hours for the application is 13,250 (13,250 x 1 hour).

AD-2047, Customer Data Worksheet—This form is required to collect basic customer information necessary to establish the applicant’s record in FSA’s Business Partner system and issue a payment. The estimated burden hours for the application is 9,200 (9,200 x 1 hour).

SF-3881, ACH Vendor/Miscellaneous Payment Enrollment Form—This form is required to obtain information necessary to issue payments by direct deposit. The estimated burden hours for the application is 2,300 (9,200 x 0.25 hour).

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 \$41.35. Fringe benefits for all private industry workers are an additional 29.9 percent,¹ or \$12.36, resulting in a total of \$53.71 per hour. The estimated cost is \$1,205,790 (\$53.71 x 22,450).

¹ U.S. Bureau of Labor Statistics. “Employer Costs for Employee Compensation.” News release. March 19, 2020. <https://www.bls.gov/news.release/ecec.htm>.

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

There are no capital, startup, or ongoing operation/maintenance costs associated with this information collection to respondents or record-keepers.

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

The cost of form development, printing and distribution is minimal because the forms are computer generated. OTECP application information will be entered in an automated system manually by the county office employees. County employee cost per response is equal 1 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 \$472,230 (\$35.64 x 13,250 respondents).

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

This is a new information request.

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

There are no plans to publish the results of OTECP.

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

FSA is requesting that the OMB expiration date will be displayed. We will add the new OMB control number to the form AD-2047 upon OMB approval.

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

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