

Supporting Statement
2017 Wildfires and Hurricanes Indemnity Program (2017 WHIP) (Florida Citrus
Block Grant) and Quality Loss Adjustment (QLA) Program
OMB control number-0560-0291

The Farm Service Agency (FSA) is requesting an extension and a revision to a currently approved information collection request (ICR). FSA merged QLA Program ICR (0560-0298) with the 2017 WHIP ICR (0560-0291) on July 13, 2021 via the change worksheet and have been approved. The title was changed from “2017 Wildfires and Hurricanes Indemnity Program (WHIP) and Citrus Trees Grant Block to Florida” to “2017 Wildfires and Hurricanes Indemnity Program (2017 WHIP) (Florida Citrus Block Grant) and Quality Loss Adjustment (QLA) Program”.

1. Circumstances that make the collection of information necessary.

2017 WHIP: The Bipartisan Budget Act of 2018 (BBA, Pub. L 115-123) authorized \$2.36 billion in assistance for losses to crops, trees, bushes, and vine losses due to 2017 wildfires and hurricanes. FSA implemented the provisions of the BBA by providing up to \$2 billion in assistance to eligible producers through the 2017 WHIP, and approximately \$340 million through a block grant with the State of Florida to address losses to citrus trees and production. The BBA requires all participants who receive 2017 WHIP payments to purchase crop insurance or NAP coverage for the next 2 available years, regardless of whether they had crop insurance or NAP coverage for 2017.

FSA is making an initial payment of up to 50 percent of the participant’s calculated 2017 WHIP payment. By issuing initial payments, FSA can quickly provide disaster assistance to those who suffered losses while ensuring that 2017 WHIP payments do not exceed the available funding and those funds are distributed equitably amount the eligible producers. If funds remain available after the initial payment, FSA will disburse the remainder of the calculated payment amount.

In order to determine whether a producer is eligible for 2017 WHIP and to calculate a payment, a producer is required to submit form FSA-890-2017, WHIP application; form FSA-891, Crop Insurance and/or NAP Coverage Agreement; form FSA-892, Request for an Exception to the WHIP Payment Limitation (if applicable); form FSA-893, 2018 Citrus Actual Production History and Approved Yield Record (Florida Only); form CCC-902, Farm Operating Plan for Payment Eligibility; form FSA-578, Report of Acreage; and form AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation Certification.

QLA: The Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Disaster Relief Act; Pub. L 116-20) provided disaster assistance for necessary expenses related to losses of crops (including milk, on-farm stored commodities, crops prevented from planting in 2019, and harvested adulterated wine grapes), trees, bushes, and vines, as a consequence of hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, and wildfires occurring in calendar years 2018 and 2019. The Further

Consolidated Appropriations Act, 2020 (Pub. L. 116-94), makes several changes to the provisions of the Disaster Relief Act, including specifying that assistance will be provided for crop quality losses. FSA is providing the assistance for those quality losses under the QLA Program.

In order to determine whether a producer is eligible for the QLA Program and to calculate a payment, a producer is required to submit form FSA-898, QLA Program application; form FSA-899, Historical Nutritional Value Weighted Average Worksheet (Continuation); form FSA-895, Crop Insurance and/or NAP Coverage Agreement; form FSA-578, Report of Acreage; required documentation of the producer's loss (but this form is exempted from PRA and reported in the spreadsheet for references.) form CCC-902I, Farm Operating Plan for Individuals; form CCC-901, Member's Information; form CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure Tax Information; form CCC-942, Certification of Income from Farming, Ranching and Forestry Operations, if applicable, and form AD-1026, Highly Erodible Land Conservation (HELIC) and Wetland Conservation Certification.

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

2017 WHIP: The information submitted by respondents are used by FSA and the State of Florida to determine eligibility and distribute payments to eligible producers under WHIP. An applicant completes a form FSA-890 and a continuation form of FSA-890, if necessary, in the administrative county office for all eligible crops affected by hurricanes and wildfires. The applicant is required to complete a form FSA-891, Crop Insurance and/or NAP Coverage Agreement when applying for WHIP benefits. The applicant completes form FSA-892 to request an exception to the \$125,000 payment limitation. 2017 WHIP payments are subject to \$900,000 payment limitation if the applicant can prove 75% of their adjusted gross income (AGI) is derived from farming, ranching, and forestry and a CPA or attorney provides certification of compliance. A manual form FSA-893 is required to be completed by the Florida citrus producers to calculate an approved yield for the 2018 crop year.

QLA: The information submitted by respondents are used to determine eligibility and distribute payments to eligible producers under the QLA Program.

The QLA Application (FSA-898) form is used for applicants to apply for QLA Program Benefits.

This FSA-895 Crop Insurance and/or NAP Coverage Agreement is used to determine eligibility for WHIP+ and/or QLA Program benefits on an insurable crop and/or on a noninsurable crop. Producers are required to purchase insurance, or NAP Coverage, as applicable, on that crop(s), trees, bushes, or vines for the next two consecutive crop years following the crop year for which the benefits are requested, according to the producer's certification on this form.

The FSA-899 Historical Nutritional Value Weighted Average Worksheet (Continuation) is be used for applicants applying for QLA Program Benefits who suffered an eligible forage crop quality losses who need additional space for their FSA-899 Application.

FSA-578- Report of Acreage is used for the producers to provide FSA the acreage data to determine program eligibility. This form is exempted from PRA and reported in the spreadsheet for references.

CCC-901, Member's Information is used for producers to report information about their farming operation. This information is used by FSA to determine the ownership interest of entities for payment limitation purposes.

CCC-902I, Farm Operating Plan for Individuals is used to collect information about individuals that is used by FSA to determine eligibility for payments.

CCC-902E- Farm Operating Plans for an Entity (Part A and B) is used to collect information about entities to report their farm operations to determine eligibility for payments. Also, this form is designed for general partnerships, joint ventures, Indian Tribes, corporations, limited partnerships, limited liability companies, trusts, estates, charitable/tax-exempt organizations, public schools, city/county/state-owned entities, or other similar entities that is used by FSA to determine eligibility for payments using an employer identification number and requesting program payments as an entity.

CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure Tax Information is the certification and consent to disclosure statement is to be used for the certification of compliance with the \$900,000 AGI limitation applicable to 2011 through 2023 crop, program, and fiscal year benefits.

CCC-942, Certification of Income from Farming, Ranching and Forestry Operations, if applicable is used to determine if individuals or legal entities whom exceed the \$900,000 AGI Limitation are eligible for program benefits. When the program authorizes that the individuals and legal entities qualify based on if at least 75 percent of the AGI for the taxable years preceding the most immediately complete taxable year was derived from farming, ranching or forestry operations.

AD-1026- Highly Erodible Land Conservation (HELC) and Wetland Conservation Certification for producers to use this form to certify compliance with the highly erodible

land and wetland conservation provisions as a condition of eligibility for certain USDA programs. It is not necessary to complete this form if a previously filed AD-1026 is on file in the FSA serving office and there have not been any changes in your farming operation or changes to the previously listed affiliates. This form exempted from PRA for any FSA programs but included the burden hours for information.

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.

WHIP: Applications for 2017 WHIP must be taken through the FSA county office and entered in an automated system. The system will allow all data fields to be manually entered or will pull data from other systems to automatically populate. The system prints out the completed 2017 WHIP application that the applicant will sign. The applications are form FSA-890 2017, WHIP application; form FSA-891, Crop Insurance and/or NAP Coverage Agreement; form FSA-892, Request for an Exception to the WHIP Payment Limitation (if applicable); form FSA-893, 2018 Citrus Actual Production History and Approved Yield Record (Florida Only).

Also, 2017 WHIP applicants must have submitted the following forms to FSA to be eligible for payment: form CCC-902, Farm Operating Plan for Individual or Legal Entity; form AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation Certification; and form FSA-578, Report of Acreage. Most applicants will already have form FSA-578, form CCC-902, and form AD-1026 on file at the time of application; however, a percentage of applicants who have not previously participated in FSA programs may need to file these forms to become eligible.

QLA: Applications for the QLA Program must be taken through the FSA county office and entered in an automated system. The system will allow all data fields to be manually entered or will pull data from other systems to automatically populate. The system will print out the completed QLA Program application that the applicant will sign.

Also, QLA Program applicants must have submitted the following forms to FSA to be eligible for payment: form CCC-902, Farm Operating Plan for Individual or Legal Entity; form AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation Certification; and form FSA-578, Report of Acreage. Most applicants will already have form FSA-578, form CCC-902 (I or E), and form AD-1026 on file at the time of application; however, a percentage of applicants who have not previously participated in FSA programs may need to file these forms to become eligible.

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

There are no duplication or no similar forms exists.

5. Methods to minimize burden on small businesses or other small entities, describe any methods to minimize burden.

The information collected does not adversely impact small businesses or other small entities. There are about 45,920 small businesses and entities in this request.

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 producers.

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.

On December 15, 2021 (86 FR 71229-71230), FSA published the 60-day information collection request notice to renew the WHIP and QLA collections and inviting comments. FSA received 1 comment, but it was not related to the collection.

The following individual was consulted regarding this information collection and have no suggestions to modify the forms or information required.

Lester Plote,
(815) 405-1402,
DeKalb County, IL.

Haney Farms,
Matt Haney,
17854 Nuclear Plant Road,
Athens, AL 35611-5931,
Limestone County
256-232-4199,
matthaney21@gmail.com.

DRG Farms LLC,
David Graham, sole member,
Grayson County, Texas,
(903) 267-2414.

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. FSA 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.

FSA estimates that up to 280,224 applicants to apply for the 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 184,551 hours.

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 \$9,912,234 ($\$53.71 \times 184,551$).

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 or 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 form is computer generated. County employee cost per response is equal to 1 hours for completion of the application form multiplied by \$ 27.50 (estimated county employee average hourly wage; based 2022 General Schedule, Grade 7, Step 5). The total annualized cost to the Federal Government is \$6,492,750 ($\$27.50 \times 1 \text{ hour} \times 236,100 \text{ responses}$).

15. Explain the reason for any program changes or adjustments reported.

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>.

There are no changes to the burden hours and responses/respondents since the last OMB approval.

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 2017 WHIP or the Application Grant for Florida or QLA Program.

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 displayed the current OMB expiration date in all the program's forms except for FL grant block.

18. Explain each exception statement to the certification statement.

FSA is able to certify compliance with all provisions under certification statement.