

**Supporting Statement
Cotton and Wool Apparel (CAWA) Program
OMB control number-0560-NEW**

The Farm Service Agency (FSA) is requesting **EMERGENCY CLEARANCE** to begin distributing payments for Cotton and Wool Apparel (CAWA) Program. USDA directed FSA to distribute payments under CAWA to apparel manufacturers of mens' and boys' worsted wool suits, sport coats, pants, or Pima cotton dress shirts; Pima cotton spinners; and wool fabric manufacturers and wool spinners who had a decrease in sales or consumption compared to a previous year and have filed an affidavit for a payment in any year from 2017 to 2021 from the trust funds authorized by sections 12602 and 12603 of the 2018 Farm Bill. CAWA will pay based on the applicant's proportionate share of decrease in 2020 in each of the three funding categories (Apparel Manufacturers, Pima Cotton Spinners, Wool fabric manufacturers and spinners). Although payments made under CAWA do not have a direct correlation to the loss of sales or consumption, in order to deliver this assistance quickly, FSA is using these numbers as a base to calculate proportionate share. FSA is using an estimated \$50 million in funds provided by section 5(e) of the Commodity Credit Corporation (CCC)Charter Act (15 U.S.C. 714c(e)) to assist applicants under CAWA. FSA will issue CAWA payments after the signup period ends. Applicants must complete a CCC-917 and provide signature authority, if not an individual, by the end of the signup period. This is one-time collection activity (6 month-OMB approval).

1. Circumstances that make the collection of information necessary.

FSA is authorized to provide payments to applicants under section 5(e) of the CCC Charter Act (15 U.S.C. 714c(e)) to assist apparel manufacturers of men's and boys' worsted wool suits, sport coats, pants, or Pima cotton dress shirts; Pima cotton spinners; and wool fabric manufacturers and wool spinners for decreases in gross sales or consumption incurred during calendar year 2020 due to diminished markets. The apparel manufacturers, spinners, and fabric manufacturers and spinners who suffered a decrease due to diminished markets have filed an affidavit for a payment in any year from 2017 to 2021 from the trust funds authorized by sections 12602 and 12603 of the 2018 Farm Bill. The \$50 million has been allocated to fund CAWA.

To be eligible for CAWA, an applicant must have experienced a decrease of at least 15 percent in calendar year 2020 gross sales or consumption of eligible products described in this document compared to the applicant's gross sales or consumption in any selected calendar years 2017, 2018, or 2019.

To determine whether an applicant is eligible for a CAWA payment, an applicant is required to submit:

- CCC-917, Cotton and Wool Apparel Program (CAWA) Application
- Signature authority if not an individual.

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

The following forms if applicable must be on file to receive a CAWA payment:

Form CCC-917- Cotton and Wool Apparel Program (CAWA) Application – Applicants must submit this form in order to be eligible for a CAWA payment. Applicants will be providing CAWA information by email to CAWA@usda.gov. The National Office staff will manually enter the information into the master spreadsheet for the program.

All applicants must be an active entity on <https://SAM.gov> and are required to enter their SAM UEI number on the application form to receive payment.

The program requires the applicant to show a 15 percent or greater reduction in calendar year 2020 when comparing calendar year 2017, 2018, or 2019 to calendar 2020, for:

- Apparel manufacturers, gross sales of eligible products.
- Pima cotton spinners, either:
 - Gross sales of eligible products, or
 - Consumption of eligible products.
- Wool fabric manufacturers and/or spinner, either:
 - Gross sales of eligible products, or
 - Consumption of eligible products.

The applicant only needs to report the applicable percentage decrease on the CCC-917 but should be prepared to provide actual calculations and documentation upon request.

Eligible apparel manufacturers will report gross sales of eligible products for the year of their choice during calendar years 2017, 2018, or 2019 on form CCC-917. These data will be used to approximate each company's pre-pandemic market share relative to other applicants in order to calculate the proportionate share of funding within the apparel manufacturer funding category after an initial flat-rate payment is made to each eligible entity and subject to payment limitations.

To estimate the pre-pandemic market share and calculate proportionate payment shares within the other funding categories, Pima cotton spinners, wool spinners, and wool fabric manufacturers must report total consumption on form CCC-917 for calendar year 2017, 2018, or 2019. When reporting consumption, a wool yarn spinner will report the

total number of wool top pounds processed, and a wool fabric manufacturer will convert total pounds of wool yarn processed into wool top and then report the total number of wool top pounds processed.

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, for examples, 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.

Applicants must submit the CAWA application to the National Office by email: CAWA@usda.gov. Then, the National Office staff will enter the application into the master spreadsheet.

The electronic form versions are available in the USDA eForms website: <https://forms.sc.egov.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 CAWA 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.

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.

If the eligible participants fail to apply, FSA will result in failure to provide payments to eligible applicants as intended.

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 and one-time approval (6-month approval). The Notification of Funds Availability (NOFA) notice to cover CAWA collection activity will be published in the Federal Register.

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

There is no payment or gift given to applicants.

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 release 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 50 applicants may apply for CAWA payments. See the Reporting and Recordkeeping Requirements spreadsheet which contains data for each form.

The annual burden for this information collection package is 50 hours.

CCC-917, Cotton and Wool Apparel Program (CAWA) Application - applicants are required to submit this form to be eligible for CAWA payment. The estimated burden hours are 50 (50 responses x 1.0).

Respondent cost per hour for the applicant that derived by Bureau of Labor Statistics is \$26.86 while the benefit costs were \$11.22 and accounted for 29.5 percent, resulting in a total of \$38.86 per hour. The estimated cost is \$1,904 (\$38.07 per hour x 50 total hours).

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 recordkeepers.

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. The estimated National Office employee's average hourly wage based on 2022 General Schedule, Grade 12, Step 5 is \$48.78 with the benefits cost of \$12.52. The total annualized cost to the Federal Government is \$3,115 (\$62.30 x 50 responses).

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 and one-time collection.

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 CAWA.

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 not requesting the OMB expiration date.

18. Explain each exception statement to the certification statement.

FSA is able to certify compliance with all provisions.