

2021 SUPPORTING STATEMENT-A
Dairy Donation Program
OMB No. 0581-0327

A. JUSTIFICATION.

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

The Consolidated Appropriations Act of 2021, Section 762 (Public Law 116-260), authorizes the Secretary of Agriculture (Secretary) to establish a program to reimburse eligible dairy organizations (EDOs) for donated dairy products to eligible non-profit organizations for distribution to recipient individuals and families. The Secretary delegated authority to establish and administer this program to the Agricultural Marketing Service (AMS).

AMS is establishing the Dairy Donation Program (DDP) to encourage the efficient distribution of dairy products to families and individuals, while reducing food waste. Program provisions will be codified at 7 CFR part 1147.

Information collected in this package, which cannot be obtained elsewhere, will be used to determine program eligibility for EDOs and verify donations made to eligible distributors. Detailed donation activity reported on the forms will be used to compute reimbursement values according to program provisions.

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.

DDP-P: Dairy Donation and Distribution Plan

Respondents will be required to submit a Dairy Donation and Distribution Plan (Plan) to become eligible for program participation. The EDO completes the Plan, which requests its entity name, address, and contact information, along with a description of its donation process and types of products to be donated to ensure it meets eligibility requirements. Accompanying the Plan, the EDO submits its W-9, which contains the banking and tax information necessary for AMS to set up direct deposit for reimbursement claims. Submitting this information with the Plan will facilitate quicker reimbursement payments once a Reimbursement Claim Form is submitted because the needed accounts will already be established. Section 1147.102 of the rule details requirements for Plan submissions to AMS in order for eligible partnerships to participate in the program. Information collected in the Plan is fundamental to ensuring the integrity of the DDP. The Plan only needs to be submitted once.

DDP-C: Eligible Distributor Certification Form

The eligible distributor will be required to sign and submit a certification form that accompanies the Plan. This form outlines the eligible distributor's storage and distribution process, and provided information is used to confirm the eligible distributor meets eligibility requirements.

DDP-RC: Reimbursement Claim Form

After Plan approval, the EDO can submit Reimbursement Claim Forms (Claim Forms) to receive reimbursement for eligible donations made. There is no requirement dictating the frequency of Claim Form submissions; therefore, any time after its Plan is approved, the EDO can submit Claim Forms for donations made. Files will be password protected and uploaded with information on the partnership, thus reducing the burden because some cells will be auto-populated with dropdown lists.

Supporting documentation will need to be included with the Claim Form to verify the eligible distributor received the donated eligible dairy products listed on the Claim Form. This documentation should be available through normal business records. Such documentation could include, but is not limited to, processing and shipping records, bills of lading, storage records, or receiving records from the eligible distributor.

The Claim Form requests information about the actual donations made in order to calculate a correct reimbursement value. Information requested includes: product type, package size and volume of products; relevant dates pertaining to the manufacturing, delivery, and code dates (sell-by, use-by or best by); location of processing plant and distribution delivery point, miles traveled if product was delivered by the EDO.

A yield factor (how much raw milk was used to make a pound of product) is also needed to compute accurate reimbursement value. The EDO may submit its product yield factor, use the yield calculator available in the form to compute a yield based on the product components, or, if nothing is entered, opt to use the standard default factor.

Claim Forms can contain an unlimited number of donations made between the partnerships. As such, an EDO could submit a separate Claim Form for each donation or, more likely, will combine months of donations made into one Claim Form. AMS expects EDOs to submit Claim Forms no more than quarterly.

HR-EZ Report of Receipts and Utilization **(currently approved under OMB No. 0581-0032)**

This form will be used by EDOs to account to a Federal milk marketing order (FMMO) if they do not already report. Accounting to a FMMO is required by statute and codified at 7 CFR 1147.1. Most entities seeking to participate in the Dairy Donation Program already file reports with the FMMO program. Those entities will not need to complete this HR-EZ form.

Remaining entities seeking to participate in the Dairy Donation Program who do not already report will account to the FMMO by completing the HR-EZ and filing it with the local FMMO office. All information required to be reported on this form is readily available from normally maintained business records. Filing of this report for the purpose of participating in the DDP will not cause the EDO to become regulated by the FMMO.

The Interim Final Rule detailed that the HR-EZ form should be filed for every month of manufacturing for donated eligible dairy products. After administering the program for six months and receiving a relevant comment, we have decided to further reduce burden by requiring the HR-EZ form to only be submitted once.

The authorizing statute requires an EDO to “account to a FMMO” in order to qualify its participation in the program. The program initially required the EDO to report to a FMMO for each month it manufactured donated product. AMS received one public comment from a Puerto Rican dairy company asking for more flexibility in accounting to a FMMO to reduce the burden on entities from Puerto Rico that would like to participate in DDP but do not already report to a FMMO. In addition, in implementing the program, the information obtained through completing the HR-EZ form monthly will not be used to in the DDP verification process but instead will be used to establish a relationship with the FMMO office for two distinct purposes. First, information on the form verifies the entity purchases milk or bulk dairy commodity products for processing into a donatable product, which is a requirement of the program. Second, the information provides a snapshot of the type of products produced by the EDO that could be donated and thus would need to be audited.

AMS has decided that obtaining this information on a monthly basis is overly burdensome and not necessary to administering the program. Instead, the program will only require participants to file the HR-EZ once in order to qualify.

This form, which will be the standard form for all FMMOs, makes the FMMO office name, address, and contact information generic. Each FMMO office will add its respective information.

As specified in § 1147.208 of the rule, AMS is only collecting information deemed necessary to administer the program. All proprietary business information submitted will be used only for the purposes of the program and will be kept confidential by AMS.

Once program provisions are published, respondents will be able to access the electronic forms at: www.ams.usda.gov/ddp.

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.

All forms will be filed electronically through email. Forms are Excel files whose data can be inputted into an Access database for efficient program administration. To reduce the burden on respondents, once the Plan is approved, an individualized Claim Form will be provided to the respondent that contains auto-populated dropdown columns with information specific for their partnership. The file will be password-protected to ensure confidentiality.

Follow-ups will be conducted via email or telephone, as needed, for clarification.

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.

In order to prevent duplication and reduce burden on the public, AMS examined several sources for data on milk and dairy products. The Federal Milk Marketing Order offices across the country collect data on regulated/pooled milk, but data on all milk (pooled and not pooled) and donations made to eligible distributors is needed for the DDP. State Departments of Agriculture do not collect the transactional information needed to administer this program. Further, while the Milk Donation Reimbursement Program (MDRP) is a similar program to the DDP, the MDRP is only for fluid milk donations. Finally, the data collected in the National Dairy Product Sales Report only represents a select number of processors and provides final product sales and volumes, but lacks specific information related to eligible donations.

In conclusion, this information collected is determined to be specific to participation in the DDP. No similar program exists that collects data on dairy product donations or the transactional information needed to compute reimbursement values.

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.

AMS is required to collect this information to qualify EDOs for program participation and for computing reimbursement values, as required by law. The DDP is open to all entities regardless of size. To minimize burden, the program will use electronic forms that will auto-populate with information specific to each partnership. This will reduce Claim Form completion time and the frequency of reporting errors.

The Small Business Administration's (SBA) definition of small agricultural service firms, which includes dairy processors, varies based on the type of dairy product manufactured. Small dairy processors are defined as having between 750 and 1,250 or fewer employees, depending on the product made (13 CFR 121.101(b)). For purposes of determining a processor's size, if the plant is part of a larger company operating multiple plants that collectively exceed the employee limit to be considered small business, the plant will be considered a large business even if the local plant has between 750 and 1,250 or fewer employees.

AMS estimates that approximately 3,000 plants manufacture dairy products in the United States, owned by approximately 1,500 entities. According to AMS calculations, about 10 percent are operated by dairy farmer cooperatives, while the remaining are independently owned. AMS believes 1,500 to be the universe of EDOs that could participate in the DDP. Of this universe of potential EDOs, 90 percent would be considered small businesses, based on total employee numbers.

Participating in the DDP will not unduly or disproportionately burden small dairy

processing entities. All entities, regardless of size, can apply for the program if they file a report with a Federal milk marketing order and incur a qualified expense as defined by program provisions. Program provisions are administered without regard for business size. The paperwork required to participate asks for information that is part of normal business records.

The definition of an eligible distributor is a public or private non-profit feeding organization that distributes or coordinates distribution of donated eligible dairy products to recipient individuals and families. AMS was unable to obtain reliable data regarding the size of public or private non-profit organizations distributing food for nutrition assistance. Therefore, the business sizes of eligible distributors could not be estimated. Eligible distributors, regardless of size, can voluntarily participate in the DDP if they form a partnership with an eligible dairy organization. The information collection burden for eligible distributors is minimal as they must only complete the Certification Form with the partnering EDO. The voluntary nature of the program allows any eligible distributor to stop participating if they find the program causes an undue or disproportionate burden.

AMS has determined establishment of this program will not have a significant economic impact on small entities. Program provisions will be applied uniformly to both large and small businesses and are not expected to unduly or disproportionately burden small entities.

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.

The information is necessary to administer the DDP. If the information collection herein was not conducted, the Secretary could not carry out obligations required by the Consolidated Appropriations Act of 2021.

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;**

Eligible dairy organizations that are participating in the DDP can submit Claim Forms as frequent as they would like, which may be more often than quarterly, but this is at their discretion.

- **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 STATUE 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 other 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.**

The 60-day notice for this information collection was published in the Federal Register on September 1, 2021, (86 FR 48887) in conjunction with an interim final rule.

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.

Data needed to administer the program are not available elsewhere. Use of the forms is required to administer the DDP. During the rulemaking process, AMS consulted with numerous entities to discuss the availability of the required data and standard industry practices for making and documenting donations.

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.

AMS conferred with the following industry members regarding the reporting burden associated with this information collection:

California Dairies, Inc.
Dairy Farmers of America
Feeding America
International Dairy Foods Association
The Kraft Heinz Company
The Kroger Company
Land O'Lakes Cooperative
Midwest Dairy Coalition
National Milk Producers Federation
Northeast Dairy Farmers Cooperative

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.

All information provided will be kept confidential, as provided for in § 1147.208. In addition, Claim Forms provided to each respondent containing specific partnership

information will be password protected.

Only aggregated data on dairy donation activity will be released, as required by statute (Public Law 116-260, Sec. 762(g)).

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.**

No questions of such a sensitive nature are included in this information collection.

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

THE 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.

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.

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

Respondents wanting to participate are required to file a Dairy Donation and Distribution Plan. Plans can cover multiple plants or distributors under the same umbrella organization. Individual eligible dairy organizations and eligible distributors can also

form other partnerships, but they are required to submit separate Plans for each partnership. The average time required to complete the Plan is estimated at 1 hour. Once the Plan is approved, respondents do not need to reapply annually.

In conjunction with the Plan, eligible distributors must complete the Certification Form, which does not need to be completed annually. AMS estimates the average time to complete the Certification Form is 15 minutes.

AMS estimates that roughly 10 percent of the universe of 1,500 eligible dairy organizations, or 150 entities, will participate in the program. Assuming an average of two partnerships per entity, 300 partnerships will participate in the program.

Once the Plan is approved, respondents can submit Claim Forms. There is no frequency requirement for Claim Form submission. Respondents can submit as frequently as they choose. AMS estimates respondents will not submit forms more than quarterly. AMS estimates the average time required to complete the Claim Form is 2 hours on a quarterly basis. The records required to be maintained are already being maintained for at least 3 years as part of the normal course of business.

Entities not already reporting to a FMMO will need to account to one by filing a HR-EZ Form with the local FMMO office. AMS estimates that most EDOs already file reports with a FMMO office and therefore will not be subject to this additional burden. AMS estimates that 10 percent of the EDOs (15) will need to complete the HR-EZ Form. AMS estimates the average completion time for the HR-EZ Form is 1 hour and entities will complete this form once in their first year of DDP participation.

Costs to respondents for completing the forms are assumed to be comparable to the hourly rate of bookkeeping, accounting, and auditing clerks. For the Plan, estimated completion time of 1 hour is multiplied by \$21.20 per hour (hourly mean earnings) for a total annual cost to the respondent of \$21.20. For the Eligible Distributor Certification Form, estimated completion time of 15 minutes is multiplied by \$21.20 per hour for a total annual cost of \$5.30. For the Claim Form, estimated completion time of 2 hours is multiplied by 4 (assuming one Claim Form submitted per quarter) and then multiplied by \$21.20 per hour for a total annual cost to the respondents of \$169.60. The total annualized cost to respondents for the first year is \$196.10. The total annualized cost to respondents for subsequent years (without the Plan and Certification Form) is \$169.60. Entities needing to account to a FMMO by filing an HR-EZ Form will experience an additional annual burden of \$21.20 (1 hour to complete the form, multiplied by mean hourly wage) in the first year of DDP participation. Data for computation of this hourly rate was obtained from the U.S. Bureau of Labor Statistics published in May 2020 (https://www.bls.gov/oes/current/oes_nat.htm#43-0000). The hourly rate was computed by calculating an average of all hourly mean earnings rates for bookkeeping, accounting, and auditing clerks.

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, PREPARATIONS 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 is no significant capital/start-up or ongoing operation/maintenance costs associated with this information collection. All respondents are believed to already have the computer processing capability and software needed to complete the Forms. AMS believes that all respondents currently have internet connections.

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 total annual cost to the Federal government for the Dairy Donation Program is \$1,795,354 for the first year and \$1,276,564 annually for the subsequent years. The following is a breakdown of the estimated costs:

Dairy Donation Program Expected Federal Government Cost		
	Year 1	Subsequent Years
Administration		
Salary & Benefits	\$336,445	\$346,537
Overhead	\$68,909	\$70,976
Travel	\$25,000	\$25,000
Subtotal	\$430,354	\$442,513
Audit/Verification		
Salary & Benefits	\$510,000	\$525,301
Travel	\$180,000	\$180,000
Equipment	\$50,000	
Overhead	\$125,000	\$128,750
Program Development	\$500,000	
Subtotal	\$1,365,000	\$834,051
GRAND TOTAL	\$1,795,354	\$1,276,564

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

16. **FOR COLLECTIONS OF INFORMATION WHOSE RESULTS WILL 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.

The statute directs AMS to periodically publish donation activity. Disaggregated information will not be published. Aggregated information, including the number of participants and partnerships, types and aggregated volumes of product donated, and program expenditures will be published on the AMS website no more than quarterly.

- 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.**

Since the forms are electronic, there is no need to have an expiration date.

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

There are no exceptions to the certification statement.

- B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS**