

HEMP ACREAGE AND PRODUCTION SURVEY

OMB No. 0535-NEW

The National Agricultural Statistics Service is seeking approval for the creation of a new information collection for Hemp Acreage and Production. The survey will be conducted in all 50 states. Under current plans, the survey will be conducted annually. However, the three years will not be consecutive. Data collection in 2023 will be skipped, due to the 2022 Census of Agriculture being conducted in 2023. The sample will be drawn from the NASS List Frame. List building efforts are underway at this time. The population is expected to be less than 20,000 annually.

A. JUSTIFICATION

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The 2018 Farm Bill requires USDA to promulgate regulations and guidelines to establish and administer a program for the production of hemp in the United States. As defined in the 2018 Farm Bill, the term “hemp” means the plant species *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis. Delta-9 tetrahydrocannabinol, or THC, is the primary intoxicating component of cannabis. Cannabis with a THC level exceeding 0.3 percent is considered marijuana, which remains classified as a schedule I controlled substance regulated by the Drug Enforcement Administration (DEA) under the Controlled Substances Act (CSA).

Under the Agricultural Act of 2014 (2014 Farm Bill), Public Law 113-79, State departments of agriculture and institutions of higher education were permitted to produce hemp as part of a pilot program for research purposes. The authority for hemp production provided in the 2014 Farm Bill was extended by the 2018 Farm Bill, which was signed into law on December 20, 2018.

Hemp is a commodity that can be used for numerous industrial and horticultural purposes including fabric, paper, construction materials, food products, cosmetics, production of cannabinoids (such as cannabidiol or CBD), and other products.

In determining the type of data that would need to be collected and the frequency of the data collections, NASS management attended a joint meeting with representatives from the USDA's Economic Research Service (ERS), Farm Service Agency (FSA), Risk Management Agency (RMA), Agricultural Marketing Service (AMS), and the Office of the Secretary.

The data will be collected under the authority of the Domestic Hemp Production Program, which is mandated by the Agriculture Improvement Act of 2018 (2018 Farm Bill). In addition, the data will be collected under the authority of Title 7 U.S.C. 2204(a). Individually identifiable data collected under this authority are governed by Section 1770 of the Food Security Act of 1985 as amended, 7 U.S.C. 2276, which requires USDA to afford strict confidentiality to non-aggregated data provided by respondents. This Notice is submitted in accordance with the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3501, et seq.), and Office of Management and Budget regulations at 5 CFR part 1320.

NASS also complies with OMB Implementation Guidance, "Implementation Guidance for Title V of the E-Government Act, Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA)," Federal Register, Vol. 72, No. 115, June 15, 2007, p. 33362.

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.

The purpose of the proposed initial survey is to develop national and State estimates of the hemp planted and produced in 2020. The survey will be conducted annually. The questionnaires used for this survey will collect data for hemp produced in the open as well as under cover (greenhouses, low or high tunnels, hoop houses, etc.). Hemp produced in the open will have data collected for five categories of hemp (flower, grain, fiber, seed, and other). Hemp produced under cover will have data collected for four categories of hemp (flower, clones or transplants, seed, or other). Similar questions will be asked for these different categories relating to amount harvested and prices received for each of the crops. In addition, there will be some demographic questions about the operator. The questionnaire is attached to this submission.

Based on the language in the 2018 Farm Bill and the meeting NASS management had with representatives from the USDA's ERS, FSA, RMA, AMS, and the Office of the Secretary, it was determined that this information was unique and could be combined with data obtained by AMS when producers registered with AMS to become licensed producers.

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.

NASS's Questionnaire Repository System (QRS) was built to enable the creation of comparable paper and web survey instruments for almost any survey. For the 2021 Hemp Acreage and Production Survey NASS will develop a Computer Assisted Web Interview (CAWI), along with a computer assisted telephone interview (CATI) for data collection from non-respondents to the mail or internet questionnaire.

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

The National Agricultural Statistics Service cooperates with State Departments of Agriculture and land grant universities to conduct agricultural surveys. These surveys meet both State and federal needs, thus eliminating duplication and minimizing reporting burden on the agriculture industry. NASS's Frames Maintenance Group (FMG) worked with NASS's State and Regional Field Offices, State Departments of Agriculture, and Tribal offices to create a comprehensive listing of hemp producers. FMG removed any duplication of names and addresses to create the master listing of producers for this survey.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

This information collection will not have a significant economic impact on small entities. Of the total estimated sample size of 20,000, approximately 18,000 would be classified as small operators, or approximately 90%.

Under the USDA Agricultural Marketing Service (AMS) final rule on hemp production, there are similar requirements that all hemp producers must meet. These include: Licensing requirements; maintaining information on the land on which hemp is produced; procedures for testing the THC concentration levels for hemp; procedures for disposing of non-compliant plants; compliance provisions; and procedures for handling violations.

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.

Authority for hemp production was provided in the 2014 Farm Bill and was extended by the 2018 Farm Bill. Hemp is a commodity that can be used for

numerous industrial and horticultural purposes including fabric, paper, construction materials, food products, cosmetics, production of cannabinoids (such as cannabidiol or CBD), and other products. This is a new commodity to most current farm operators. No comprehensive data sets are available for this commodity. As new consumer markets are developed, the need for annual data on acreage and production are highly sought after. Data collected less than annually would interfere with the mandate stated in the 2018 Farmbill.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with the general information guidelines in 5 CFR 1320.5.

There are no special circumstances associated with this information collection.

8. 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.

The Federal Register Notice soliciting comments was published on February 23, 2021 on pages 10919 – 10920. NASS received one public comment from Mr. Robert White (hemp producer). The comment is attached to this submission.

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 record-keeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

NASS has been working with the following people in the development of this survey.

Dr. Tyler Mark, Associate Professor
Director of Graduate Studies
University of Kentucky
Agricultural Economics
417 Charles E. Barnhart Bldg.
Lexington, KY 40546-0276
E-mail: tyler.mark@uky.edu
Phone: 859-257-7283

Dr. Daniel Mooney
Daniel.mooney@colostate.edu
Department of Agricultural & Resource Economics
Fort Collins, CO
970-491-4180

Dr. Dawn Thilmany – Professor
Dawn.thilmany@colostate.edu
Outreach Coordinator
Extension Economist-Labor and Agribusiness Management
Fort Collins, CO
970-491-7220

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

There are no payments or gifts to respondents.

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

Questionnaires include a statement that individual reports are confidential. U.S. Code Title 18, Section 1905; U.S. Code Title 7, Section 2276; and Title III of Pub. L. No. 115-435 (CIPSEA) provide for confidentiality of reported information. All employees of NASS and all enumerators hired and supervised under a cooperative agreement with the National Association of State Departments of Agriculture (NASDA) must read the regulations and sign a statement of compliance.

Additionally, NASS employees and NASS contractors comply with the OMB implementation guidance document, "Implementation Guidance for Confidential Information Protection and Statistical Efficiency Act of 2018, Title III of Pub. L. No. 115-435, codified in 44 U.S.C. Ch. 35" CIPSEA supports NASS's pledge of confidentiality to all respondents and facilitates the agency's efforts to reduce burden by supporting statistical activities of collaborative agencies through designation of NASS agents, subject to the limitations and penalties described in CIPSEA.

The following confidentiality pledge statement will appear on all NASS questionnaires.

The information you provide will be used for statistical purposes only. Your responses will be kept confidential and any person who willfully discloses ANY identifiable information about you or your operation is subject to a jail term, a fine, or both. This survey is conducted in accordance with the Confidential Information Protection and Statistical Efficiency Act of 2018, Title III of Pub. L. No. 115-435, codified in 44 U.S.C. Ch. 35 and other applicable Federal laws. For more information on how we protect your information please visit: <https://www.nass.usda.gov/confidentiality>. Response to this survey is voluntary.

11. Provide additional justification for any questions of a sensitive nature.

There are no questions of a sensitive nature.

- 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. 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.**

Burden hour calculations are shown below. The minutes-per-response figures come from cognitive interviews. Cost to the public of completing the questionnaire is assumed to be comparable to the hourly rate of those requesting the data. Reporting time of 7,531 hours is multiplied by \$36.97 per hour for a total cost to the public of \$278,421.07.

NASS uses the Bureau of Labor Statistics' [Occupational Employment Statistics](#) (most recently published on March 31, 2021 for the previous May) to estimate an hourly wage for the burden cost. The May 2020 mean wage for bookkeepers was \$21.20. The mean wage for farm managers was \$36.93. The mean wage for farm supervisors was \$25.25. The mean wage of the three is \$27.79. To calculate the fully loaded wage rate (includes allowances for Social Security, insurance, etc.) NASS will add 33% for a total of \$36.97 per hour.

Estimated Respondent Burden for the 2021 - 2023 Hemp Production Survey

Survey	Estimated Sample Size	Waves of Data Collection	Estimated Responses				Non-response				Total Burden Hours
			Resp. Count	Waves x Count	Min./ Resp.	Burden Hours	Nonresp Count	Waves x Count	Min./ Non Resp	Burden Hours	
Questionnaires											
Hemp Production Survey Post Card - Internet Push	20,000	1	1,000	1,000	15	250	19,000	19,000	2	633	8
Hemp Production Survey 1st Mailing	19,000	1	3,800	3,800	15	950	15,200	15,200	2	507	1,4
Post Card Reminder or Email Reminder	15,200	1	1,520	1,520	15	380	13,680	13,680	1	228	6
Hemp Production Survey 2nd Mailing	13,680	1	2,052	2,052	15	513	11,628	11,628	2	388	9
Hemp Production Survey Non-response Enumeration	11,628	1	7,674	7,674	15	1,919	3,954	3,954	2	132	2,0
Total	20,000		16,046	16,046		4,012	3,954	63,462		1,888	5,9
Publicity Materials for ALL surveys											
Pre-Survey Post Card	20,000	1	7,000	7,000	1	117	13,000	13,000	0	0	1
Post Card Reminder	15,200	1	5,320	5,320	1	89	9,880	9,880	0	0	
Initial Mailing ^{1/ 2/}	19,000	1	3,800	3,800	5	317	15,200	15,200	2	507	8
Follow-up Mailing ^{1/ 2/}	13,680	1	2,052	2,052	5	171	11,628	11,628	2	388	5
Total	20,000					694				895	1,5
Quality Control Survey (Telephone Only) - Recontact operators to verify quality of NASDA enumerators.											
Quality Control Worksheet (phone only)	500	1	500	500	5	42	0	0		0	
Total	500		500	500		42	0	0		0	
Totals	20,000		16,046	16,046		4,748	3,954	63,462		2,783	7,5

^{1/} The initial and follow-up mailings will consist of the questionnaire, cover letter, Internet instruction sheet and return envelope.

^{2/} The response rate for the: Post card - internet push at 5%, initial mailing is estimated at 20%, the postcard reminder is estimated at 10%, the second mailing is estimated at 15%, the phone

13. Provide an estimate of the total annual cost burden to respondents or record-keepers resulting from the collection of information.

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

14. Provide estimates of annualized cost to the Federal government; provide a description of the method used to estimate cost which should include quantification of hours, operational expenses, and any other expense that would not have been incurred without this collection of information.

The total cost to the Federal Government for the 2021 Hemp Acreage and Production Survey is approximately \$1,500,000. About \$737,000 is for Federal salaries (includes Social Security, taxes, insurance, etc.), \$290,000 for telephone and field enumeration by National Association of State Departments of Agriculture (NASDA) enumerators (includes overhead), and \$473,000 for printing, postage, paper, promotional materials, equipment maintenance, data enclave, data processing, etc.

15. Explain the reasons for, any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I (reasons for changes in burden).

This is a new data collection package, so all changes are due to program changes.

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.

Shortly after NASS was approved to collect hemp acreage and production data, through a cooperative agreement with AMS, NASS began developing a list of farmers to include in this survey. Shortly after that the development of a questionnaire began. Data collection will begin on Oct. 1, 2021 when a post card mailer will be sent out to respondents with information on how to access the survey via the internet. NASS will use multiple mailings, internet, and phone/field enumeration to collect the data. The summarized data is scheduled to be published in January 2022.

Task	Start Date	Finsh Date
Questionnaire Design	Feb. 2021	5/19/2021
Systems Development	5/1/2021	10/1/2021
List Building and Sample Selection	Jan. 2021	9/8/2021
Pre-survey Post Card Mail-out		10/1/2021
Initial Mail-out of Questionnaire		10/18/2021
Mail out Post Card Reminder		10/25/2021
Follow-up Mail-out of Questionnaire		11/1/2021
Telephone Follow-up for non-response		Nov. 2021
Process and Tabulate Data		Dec. 2021
Review, Analysis, and Summary		Dec. 2021

- 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.**

There is no request for approval of non-display of the 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.

July 2021