SUPPLEMENTAL SUPPORTING STATEMENT Part A

Agricultural Resource Management and Chemical Use Surveys

Substantive Change

OMB No. 0535-0218

This substantive change is being submitted as a supplemental supporting statement for including the 2022 Agricultural Resource Management Phase 3 Surveys (ARMS 3). This substantive change is to accommodate the addition of the 2022 ARMS 3 questionnaires.

In January, 2023, NASS will be conducting the 2022 Census of Agriculture (0535-0226) which has a mandatory reporting requirement. In addition, NASS will be conducting the 2022 Agricultural Resource Management Survey (ARMS) Phase 3 which has a voluntary reporting requirement. Both of these surveys collect whole farm data for the calendar year of 2022. The entire ARMS 3 sample is included in the Census of Agriculture population.

In order to reduce respondent burden, NASS previously created a combined questionnaire for the ARMS 3 surveys that contained the questions from the Census of Agriculture questionnaire with the unique questions asked by the ARMS 3 questionnaires. Farm operators who were willing to complete the longer ARMS 3 questionnaires did not need to complete the Census of Agriculture survey. NASS created a data set from the completed ARMS 3 questionnaire that fulfilled the reporting needs of the Census of Agriculture. NASS plans to do the same in 2023 for the operations that are sampled for the ARMS 3 surveys. There are two versions of the ARMS 3 questionnaire that will be used in 2023; one for the general Cost and Returns Report and one for the Wheat Cost and Returns Report. NASS conducted a combined general Cost and Returns Report and the Wheat Cost and Returns Report in 2018 (at this link: https://www.reginfo.gov/public/do/DownloadDocument?objectID=76238501).

Both versions will contain the questions from the Census of Agriculture questionnaire with the unique questions asked by the ARMS 3 questionnaires. The 2022 Cost and Returns Report is included in this submission. The Wheat Production Practice and Cost Report will include the Cost and Returns report with the following additional questions:

- Followup questions to the following expenses in the production expenditures section (Section 32) with what amount was specifically for the wheat enterprise:
 - o Seeds, sets, plants, seed cleaning and treatments, transplants, trees and nursery stock,
 - o Nutrients, fertilizer, lime, and soil conditioners,
 - o Agricultural chemicals and biocontrols for crops, livestock, poultry, and general farm use
 - o All fuels, oils and lubricants,
 - o Electricity expenses for irrigation,

- o Electricity expenses for drying,
- o Purchased water for irrigation,
- o Repairs, parts and accessories for motor vehicles, machinery and farm equipment,
- o Irrigation equipment & pump maintenance and repair expenses,
- o Federal crop insurance,
- o Cash wages to hired farm & ranch labor,
- o Payroll taxes for hired labor,
- o Benefits for hired labor,
- o Contract labor, and
- o Custom work,
- The following wheat drying questions which will appear between Section 38 and 39:

S	ECTION 38 WHEAT DRYING		
1.	Did the operation harvest wheat for grain for the 2022 crop year?		
	¹⁸⁹⁵ 1 D Yes - Complete this section 3 D No - Go to SECTION 39		
			Month (MM)
2.	In what month was the majority of the 2022 wheat crop harvested?	26	
3.	How much of the 2022 wheat crop was - Bushels	OR	Percent
	a. custom dried?	1865	%
	b. dried by this operation?	1871	%
	c. not dried?	1877	%
		a +	b + c = 100%
[N	IOTE: If any of the 2022 wheat crop was custom dried (Item 3a), go to Item 4; else go to Note above Item 5.]		
	Dollars & Cents	1	otal
4	How much was spent for custom drying the 2022	D	ollars
Ĩ.	wheat crop?		.00
[N	IOTE: If any of the 2022 wheat crop was dried by this operation (Item 3b), go to Item 5; else go to SECTION 3	39.]	
	1 diesel		Code
6	What fuel type was used to dry the majority of the 2022 wheat crop?		0000
5.	What fuel type was used to dry the majority of the 2022 wheat crop? 4 natural gas 185 5 electricity	9	
	6 other		
	Perc	centag	e Points
6.	On average, what was the moisture percentage of the 2022 wheat crop at 2213		%
7.	harvest?How many hours of each type of labor were used to dry the 2022 wheat crop? (Include hours to unload, fill and empty dryers, and to oversee drying.)		Hours
	a. Paid and unpaid operators, partners, and family members, and other unpaid workers? 189	6	
	b. Full-time hired workers? (Exclude custom and contract labor.)	7	
	c. Part-time or seasonal hired workers? (Exclude custom and contract labor.)	8	
			Code
8.	What type of facility was used to dry 1 bins 2 continuous flow dryer (outside of bins)		0008
	the majority of the 2022 wheat crop? 3 batch dryer (outside of bins) 183		
			Number
	a. Of the (Item 8) type of facility, how many were used to dry the 2022 wheat crop?	8	
	b. What use the TOTAL holding apparity of the type of facilities reported in 2-2.		Bushels
	b. What was the TOTAL holding capacity of the type of facilities reported in 8a? (For continuous flow or batch dryers, report the bushels per hour)	19	

Farm operators who refuse to complete the voluntary ARMS 3 questionnaires will still be required to complete the mandatory Census of Agriculture. The 100 minutes that is currently approved for the ARMS 3 questionnaire along with the 50 minutes that is approved for the Census of Agriculture will be more than enough to cover the expanded questionnaire. If the operator refuses to complete the ARMS 3 questionnaire the 50 minutes for the Census burden will be used.

To reduce respondent burden the 2022 ARMS 3 questionnaires, the following changes will be made:

Land in Farm & Ranch Section – Questions Removed

IRRIGATED CROPLAND ACRES							
 During 2021, considering the acres irrigated by sprinklers, flooding, furrows, drip or trickle irrigation, etc. on this operation — 	ditches or None	Irrigated Acres					
a. How many acres of harvested cropland were irrigated?	4031						
b. How many acres of pastureland, rangeland, abandoned cropland land were irrigated?	, and other						
14. How many acres on this operation were irrigated at least once in the years (2017-2021)?	past five 5680						
HISTORIC CONSERVATION PAYMENTS							
15. Has this operation ever received financial assistance from EQIP or C	SP? 0070 1	Yes 3 No					
16. Has this operation ever received technical assistance from NRCS? .		Yes 3 No					
CONSERVATION PRACTICES							
17. For each of the conservation management practices listed below, report the total acres on this operation using this practice in 2021 in Column 1. Report those acres that were using the practice AND received a cost share or financial assistance payment in Column 2. (Conservation program payments are provided by USDA programs such as EQIP or CSP or similarly structured state or local programs and provided financial assistance to help defray the cost of practice adoption.)							
adoption.)	1	2					
	Acres where practice was used in 2021	Acres with conservation payment in 2021 (zero if					
Tillage Practices	(regardless of payment)	no payment received)					
Things Frances							

a. No-Till (all crops) – production that leaves soil and crop residue undisturbed from last year's harvest to this year's planting and requires planting directly through the residue.	2570	2571	
b. Strip-Till (all crops) – tilling a narrow strip over row, leaving soil & crop residue between rows undisturbed.	2573	2574	
c. Other Conservation Tillage (all crops) – full-width tillage leaves at least 30% soil surface covered by crop residue at planting time (or the field has an annual Soil Tillage Intensity Rate (STIR) less than 80).	2576	2578	
Cover Crops			
 Cover crops harvested for forage, whether grazed or not grazed 	2583	2584	
e. Cover crops grazed but not harvested for forage	3010	3011	
f. Cover crops not grazed or harvested for forage	2580	2581	
Other Practices			
g. Double crop (both crops harvested for grain or seed)	2586	2587	
h. Nutrient management (based on a written plan)	2589	2590	
i. Integrated pest management (based on a written plan)	2592	2593	
 Rotational or management-intensive grazing – prescribed movement of grazing animals between paddocks to manage forage productivity 	2596	2597	

Marketing and Production Contract and Direct Sales Section – Questions Removed

DIF	RECT SALES						
3.	During 2021, did you produce, raise, or grow any commodities for human consumption t directly to individual consumers; retail outlets and regional distributors that sold directly t such as restaurants, grocers, food hubs or local food aggregators; or institutions such a (<i>Include</i> sales from roadside stands, farmers markets, pick your own, door to door, Community Su Exclude nonedible products such as Christmas trees and flowers, nursery products, and craft item	o indi s scho pporte	vidua ools,	al consu hospital	mers s?		
	¹¹⁵¹ 1 Yes 3 No [If you answered YES continue; otherwise go to h	em 5	J				
	a. Did you sell crop commodities or crop products?	50 1		Yes	3		No
	b. Did you sell livestock, dairy, or poultry commodities or products? 26	51 1		Yes	3		No
4.	In 2021, how much was received on the cash market, open market, or marketing contra dairy, and poultry commodities and products for each of the market channels below? (Ex Christmas trees and flowers, nursery products, and craft items. Exclude commodities produced un	clude	none	dible pro	ducts		as
	2021 crop, livestock, dairy, poultry sales	Nor	ne		Dolla	ars	
	a. directly to consumers at farmers markets?	77		\$.00
	b. directly to individual consumers from on-farm stores, u-pick, road-side stands, Community Supported Agriculture (CSAs), other informal sales? 27	10	ן נ	\$.00
	c. directly to restaurants?	13	ונ	\$.00
	d. directly to grocery stores?	16	ן נ	\$.00
	e. to a regional distributor such as a food hub or an internet aggregator that sold directly to individual consumers?	19] [\$.00
	f. to a local institutional outlet such as a school, hospital, or other business that provided dining services to consumers?	22] [\$.00
INC	CENTIVES FROM COMMODITY BUYERS						
5.	Did your buyers (including cooperatives) require or encourage you to use sustainable p cover crops or reduced fertilizer application rates through any of the following methods' Exclude certified-organic production.		tion (practices	s suc	h as	
	a. Contracts or agreements that specify the use of particular practices	63 ¹		Yes	3		No
	b. Additional payments or price premiums	64 1		Yes	3		No
	c. Technical information or production decision tools	65 1		Yes	3		No
	d. Other methods	66 ¹		Yes	3		No

The Government Payments section has been reduced:

2021			2022
d. Did you receive any COVID-19 related loans or grants for the first of the second	his farm business in 2021?		
	Did you receive any payments in 2021? If so, how much?	As of December 31, 2021, how much of the payment was forgiven?	
(i) Small Business Administration's Paycheck Protection Program Please include any Economic Injury Deaster Loan advances here. Report all other loans from Small Business Administration in Section J Farm Debt.	5912 Dollars \$.00	5913 Dollars .00	d. Did you receive any COVID-19 related assistance for this farm business in 2022?
(ii) Pandemic Assistance for Producers such as: - Coronavirus Food Assistance Program (CFAP) - Pandemic Livestock Indemnity Program.	5920 Dollars \$00		4678 1 Ves - Continue 3 No - Go to item e
(iii) Other federal, state, or local COVID-19 related farm business assistance not otherwise reported	5923 Dollars .00		(i) Any USDA COVID-19 pandemic assistance
e. All other Federal, State, or local program payments? Please exclude Economic Injury Disaster Loans (EIDL) and instead report those in Section J Farm Debt on page 15	Nor	Donars	Please exclude Economic Injury Desister Loans (EIDU) and instead report those in Section 34 Farm Detr on page 27
h. income from energy production (e.g. natural gas, oil, and y income from royalities, leases/fixed gayments and one-time in 2021; I fonde, sky to ken i - al other fram related sour Nor (i) Oil or natural gas	payments received tes of income		
(iv) Energy Intrastructure (ex. pipelines, transmission lines, or substations not included in energy projects above) (v) Other - Piease specify;			h. income from energy production (e.g. natural gas, oil, and wind turbines)? include income from royatiles, leases/fixed payments and one-time gayments received in 2022. ial other farm related sources of income? include
L all other fram related sources of Income? Include allother of or used leases; animal boarding; asiae of positry little and manne; cabe of positry little and manne; cabe or order; cabe or order; State beit as refunds, rate eleaste far a rebates for la ending, on marking expense;			alikiment or guida leases; anial boarding; alass of poultry lifer and manue; income from recreational activities such as hunting, fahing, tourism, etc.; acarbon credits; State fuel kar xerlunds, lax refunds, real estate fax rebates for land preservation; entinds of marketing expanses; renting or leasing of Unexarbox are machinery;
 renting or leasing of livestock or machinery; sales of value-added goods such as cheese, cider, jams, etc. If part of a separate business; hedging profits and losses and if a loss was incurred, please in earned interest from farm business-owned financial accounts (Exclude income from household-owned financial accounts). 	Nor		valkes of value-added goods such as cheese, cider, jams, etc. if these are not part of a separate business; hedging profits and losses and if a loss was incurred, please indicate with a negative sign; earned interest from farm business-owned financial accounts (Exclude income from household-word financial accounts)

Government & Other Farm Related Income - Questions removed

AGRITOURISM

- 5. In the past four years (2018-2021) has this operation participated in any recreation and agritourism activities on the operation such as:
 - outdoor recreation such as hunting, fishing, and horseback riding?
 hospitality services, overnight guests, and ranch stays?

 - · guided tours of farm, ranch, and winery?
 - entertainment services such as harvest festivals, on-farm rodeos, and petting zoos; or other recreation or agritourism activities?

	5145 1 Ve	s - Con	tinue				зГ	No.G	o to S	ectio	пH										
	For the years listed below, did this operation have recreation and agritourism activities?						 No - Go to Section H Did the operation use state or USDA loan, loan-guarantee or grant programs to benefit the agritourism operation? 						rams	How much net income did this operation receive from agritourism activities? None Dollars							
	In 2021	3017 1		Yes	3 [No	3018	1	Yes	3		No		3019		9	6			.00
	In 2020	3020 1		Yes	3 [No	3021	1	Yes	3		No		3022		9	6			.00
	In 2019	3023 ¹		Yes	3 [No	3024	1	Yes	3		No								
	In 2018	3025 ¹		Yes	3 [No	3026	1	Yes	3		No								
6.	Compare the op If you did not h	ave an	y inc	ome i						20.	302	7 1			hange 2019		3				ourism 2020
	'No agritourism											2		More	agritor ne in 2	urism 020	4		No a		irism 2019
7.	Since March 20 local operating									state	e or				. 3028	1 [Yes	3		No

Operating & Capital Expenses Section

Added a percent for farm/ranch use to the ATV/Side by Side/UTV expenditures to more accurately record the farm expenditure for this item:

40.	ATVs, Side by Sides, UTVs, etc		%	3100	\$.00
	venicies, vans, campers and buses.)			0010	Ψ	.00

Personal Characteristics and Farm Management Section – Questions Removed

14. Loss of off-farm employment and unemployment compensation due to COVID-19 related disruptions or shut-downs							
During 2021 did the principal producer, principal producer's Did this spouse, or any other member of the household lose an off-farm job or were furloughed due to COVID-19 related disruptions or shut-downs?				Total amount of unemployment assistance received? (Dollars)			
5960 5961				5962			
a. You (the principal producer)1 Yes 3 No 1 Yes	3		No	\$.00		
5963 5964				5965			
b. Your spouse (the principal producer's spouse)1 Yes 3 No 1 Yes	3		No	s	.00		
5966 5967				5968			
c. All other members of the household 1 🗌 Yes 3 🗌 No 🛛 1 🗌 Yes	3		No	s	.00		
 Of the people who lived in your household on December 31, 2021, how many were a. younger than 6 years old? 				ry?	by health insurance at any time during 2021 NUMBER 1126 1127		
b. from 6 through 17 years old?	+	1230			1128		
c. from 18 through 64 years old?	+	1231			1129		
d. 65 years or older?	+						
e. Total persons in household	=	2735					

A. JUSTIFICATION

1. Circumstances making collection of information necessary.

NASS is requesting a substantive change to the ARMS and Chemical Use Survey docket (0535-0218) to accommodate the addition of the 2022 ARMS 3,

questionnaires.

NASS conducts the ARMS program as a part of a cooperative agreement with the USDA Economic Research Service (ERS). The Costs and Returns (Phase 3) is the economic phase, in which we collect data related to the costs and returns for both the whole farm and for specific commodities raised on each farm. The specific commodity for 2022 is wheat which includes winter, Durum, and other spring wheat. The majority of the questions that are asked in the Phase 3 surveys are a part of the ARMS core program and rarely have any changes made to them.

Historically, the majority of the surveys that are conducted under this OMB approval have been conducted by personal interviews. During the pandemic, NASS made changes to our data collection efforts to accommodate social distancing. If the current situation of the pandemic allows, NASS will resume personal interviewing using the National Association of State Department of Agriculture (NASDA) enumerators to collect the data. The surveys have been changed to allow for data collection by computer assisted web interviews (CAWI) and computer assisted telephone interviews (CATI). At this time, NASDA approved limited face to face enumeration by first phoning operators to schedule interviews and obtaining approval from the operator to engage in-person.

The substantive change request approved May 31, 2022 documents the plan to add additional samples to the Phase 3 in response to the Biden Administration's top priority of advancing equity for all Americans. As stated by the White House, "President Biden is putting equity at the center of the agenda with a whole of government approach to embed racial justice across Federal agencies, policies, and programs." (Retrieved March 15, 2022, from <u>https://www.whitehouse.gov/priorities/</u>.) The U.S. Department of Agriculture (USDA) is contributing to the President's agenda by making racial justice and equity one of the top USDA priorities (Retrieved March 15, 2022, from <u>https://www.usda.gov/media/radio/weekly-features/2021-02-09/what-are-tomvilsacks-priorities-usda</u>).

Crop Year	Survey	Target Commodity	Reference Year	Year Survey is Conducted
	ARMS Phase 1	Intigrated Screening (ARMS and Chem Use)	2022	2022
	ARMS Phase 2 (PPCR)	Wheat	2022	2022
	ARMS Phase 2 (PPR)	Potatoes	2022	2022
2022	Chemical Use	Vegetables	2022	2022
2022	ARMS Phase 3	CRR/Census, Wheat	2022	2023

To review, the 2022 ARMS and Chemical Use Survey Cycle is

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

There are no changes from the original approval for the purposes of the information collected.

3. Use of improved information technology.

Due to the COVID-19 pandemic and the need for social distancing, NASS added a Computer Assisted Telephone Interview (CATI) instrument with this particular group of surveys. In addition, NASS will be offering the ARMS 3 surveys as a Computer Assisted Web Interview (CAWI). NASS has also been developing a Computer Assisted Personal Interview (CAPI) instrument that will be available for use if it is safe to interview farmers in person.

NASS is beginning to implement electronic mail (e-mail) reminders with a link to for the respondent to complete the survey online. E-mail reminders will be used for respondents who opted-in to receiving E-Mail reminders.

4. Efforts to identify duplication.

There are no changes from the original approval related to duplication reduction.

5. Methods to minimize burden of small businesses.

With the use of the CATI, CAPI, and CAWI instruments, the incorporated screening questions and skip patterns should help minimize burden as much as possible.

6. Consequence if information collection were less frequent.

There are no changes to the frequency of these surveys than was originally approved.

7. Special circumstances.

No special circumstances are associated with this information collection.

8. Federal register notice and consultation with outside persons.

Not applicable.

9. Payments or gifts to respondents.

No payments or gifts will be given to respondents.

10. Confidentiality provided to respondents.

Confidentiality will be provided to respondents 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. All confidentially protections that are applied to all products released from these surveys will remain the same as originally approved.

11. Questions of a sensitive nature.

No questions of sensitive nature will be asked.

12. Hour burden and annualized costs to respondents.

This substantive change requests no change in burden from the approved 291,060 responses and 109,277 hours.

Table 1	
Survey Year	Survey
Year	

Table 2	Vegetable Chem Use
2021	Fruit Chem Use
2022	VCUS - Presurvey Mailing
2022	VCUS - Initial Mailing

Cost to the public for completing the questionnaire is assumed to be comparable to the hourly rate of those requesting the data. Using a fully-loaded wage of \$36.97 per hour, the adjusted overall cost to the public for the 109,277 hours is estimated at \$4,039,970.70.

NASS uses the Bureau of Labor Statistics' <u>Occupational Employment Statistics</u> (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.

13. Total annual cost burden to respondents.

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

14. Annualized costs to federal government.

There are no changes to the total annual cost of \$18,500,000 documented in the change request approved May 31, 2022 for the Agricultural Resource Management Surveys and the Chemical Use programs.

15. Reasons for changes in burden.

There is no change in burden with this change request.

16. Tabulation, analysis, and publication plans.

The changes to the questionnaires will be incorporated in the publications that are listed in the original approval docket.

17. Request for approval of non-display of expiration date.

No request is being made for approval of non-display of the expiration date.

18. Exceptions to certification statement.

No exceptions to the certification statement are requested.

September 2022