**Justification for Change**

**Pecan Promotion, Research, and Information Program**

**OMB Number 0581-0328**

**September 2022**

This Justification for Change requests revising the Application for Exemption from Assessment form (PEC-AAE) and the First Handler Report form (PEC-FHR) under OMB Control Number 0581-0328 Pecan Promotion, Research, and Information Order.

Because the Pecan Promotion, Research and Information Program is a new program, there are changes the American Pecan Promotion Board (Board), which is the administrative body that helps oversee the implementation of the program, is requesting to ensure the appropriate information is provided to the Board in order to comply with the rules and regulations. Specifically, the Application for Exemption from Assessment form (PEC- AAE) is revised to be more straightforward and to alleviate the paperwork request to show the exemption level by providing on the form a step-by-step on average pecan production from the previous four fiscal years. The revised PEC-AAE form specifically requests the pecan production to report the four fiscal periods for which the exemption is claimed as per section 1223.53 Exemption procedures in the Pecan Promotion, Research, and Information Order. This information is not new and will not add any additional burden. Simply stated, these changes will encourage producers to report the information in a timely fashion, so the Board can determine the exemption promptly. In addition, this form can be used either by producers or importers. For simplicity we are submitting one form since it has similar information, but the Board will use two separate forms, one for producers and one for importers, to alleviate any confusion.

Additionally, the First Handler Report form (PEC-FHR) is also revised as requested by the Board. Specifically, the identification number is now a unique identifier as the industry was reluctant to provide an employer identification or taxpayer identification number, but still has the option to use it as a “unique identifier.” Also, the industry wants the producer information by State (for first handlers that collect from domestic producers) and country of origin (from importers). This information is not new, and it will not add additional burden, but simply request the information in a way that the industry will understand and provide to the Board for compliance to the rules and regulations. In addition, this form has two versions, one for first handlers (PEC-FHR-1) and one for importers (PEC-FHR-2). No additional burden but simplify for the industry.

Lastly, both the Application for Exemption from Assessment form (PEC-AAE) and the First Handler Report form (PEC-FHR) will be available electronically. Essentially, all of the information on the attached paper copy will be requested on a secure automated reporting platform for producers, handlers, and importers.

The attached calculation of respondents and burden hours for 0581-0328, will not change, just the modifications as discussed above.