2023 SUPPORTING STATEMENT
GUIDELINES FOR DESIGNATING BIOBASED PRODUCTS
FOR FEDERAL PROCUREMENT
OMB 0570-0073

A. JUSTIFICATION

1. Circumstances that make this collection of information necessary.

Section 9002 of the Farm Security and Rural Investment Act (FSRIA) of 2002, as amended by the Food, Conservation, and Energy Act (FCEA) of 2008, the Agricultural Act of 2014, and the Agriculture Improvement Act of 2018 [7 U.S.C. 8102] provides for a Federal Preferred Procurement Program under which Federal agencies are required to purchase biobased products, with certain exceptions. Product categories (which are generic groupings of products) are designated by rulemaking for preferred procurement. To qualify product categories for procurement under this Program, the statute requires that the Secretary of Agriculture consider information on the availability of biobased products, the economic and technological feasibility of using such products, and the costs of using such products. Consideration of this information is a statutory requirement in rulemaking to designate product categories for preferred procurement. In addition, the Secretary is required to provide information on designated product categories to Federal agencies about the manufacturer's contact information, product availability, biobased content, and special performance features of products within such product categories, and, where appropriate shall, recommend the level of biobased material to be contained in the procured product. This information must also be provided in rulemaking to designate product categories for preferred procurement. The United States Department of Agriculture (USDA) Rural Development (RD) Rural Business-Cooperative Service (RBCS) is gathering this information on a sufficient number of individual products within a product category to enable RBCS to extrapolate the findings to the product category level. That information is then provided in the rule to designate product categories, as required by the statute. RBCS seeks voluntary cooperation from manufacturers and vendors of products within a product category being considered for designation for preferred procurement to obtain the statutorily required information.

RBCS BioPreferred Program staff and its contractors, under OMB Control Number 0570-0073, will continue to contact manufacturers and vendors of biobased products to gather product information, samples for biobased content testing, and other manufacturing information to support an analysis of a sufficient number of biobased products that fall within a product category. The product information collected enables RBCS to extrapolate the product information to a product category level to support the designation for preferred procurement under this Federal Preferred Procurement Program. Testing of products and development of analyses on individual products to support designation of product categories for preferred procurement by rulemaking is ongoing. Cooperation in this program by manufacturers and vendors of biobased products is voluntary.

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 RBCS staff and its contractors interact with manufacturers and vendors to gather such information and material for testing as may be required to meet the statutory requirements for designation of product categories for preferred procurement by Federal agencies. The information collected will continue to be gathered using a variety of methods, including communications with a manufacturer or vendor via phone or email and submission by manufacturers and vendors of information electronically to RBCS. In the case of testing for biobased content, samples of products will be collected from manufacturers and vendors for use in conducting the appropriate test. Cooperation with RBCS in gathering such information is voluntary on the part of the manufacturers and vendors. Having information on a sufficient number of specific products will enable RBCS to extrapolate product specific information to the product category. This information is essential to meeting the statutory requirements for designating product categories for preferred procurement by Federal agencies. The designation of product categories by regulation is how the Program provided for under section 9002 becomes operational, and manufacturers and vendors of biobased products that fit under a product category designated by regulation can gain the benefits of preferred procurement of those products by Federal agencies.

When testing biobased products for biobased content, ASTM Standard Test Methods for Determining the Biobased Content of Solid, Liquid, and Gaseous Samples Using Radiocarbon Analysis (Standard number D6866) is being used.

When product categories are designated by regulation, the information and test results of the sample of products, with results extrapolated to the product category level, are being posted by RBCS, on an electronic information system that is available to the public, to manufacturers and vendors, and to Federal agencies to enable those involved in the Program to learn which product categories have been designated by regulation.

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.

The responses by manufacturers and vendors to requests for data and product samples to support testing by RBCS for designation purposes for a given product category affect only a limited number (probably under ten) of manufacturers and vendors and will be handled electronically to the extent possible. Every effort will be made to streamline the processes with which RBCS interacts with manufacturers and vendors to reduce the cost and time burden on the voluntary respondents.

In addition, manufacturers and vendors will be invited to voluntarily provide information on products that fall within designated product categories to USDA, which USDA will then post on USDA's BioPreferred Program website, http://www.biopreferred.gov, where this information will serve as a major source of information on available biobased products qualified for preferred procurement by Federal agencies. These postings will be handled entirely electronically with manufacturers using prompts provided by RBCS to electronically post their information on the website.

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

It is very unlikely that any of the data or sample requests to manufacturers and vendors represent duplication of requests by other government agencies. Where the test data required by the regulations are already in the hands of manufacturers and vendors, every effort will be made to use that information. The uniqueness of the Federal Preferred Procurement Program makes it highly unlikely that requests for the same data have already been made by government or the private sector.

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.

RBCS, in its efforts to gather statutorily required information from a representative group of products that fall within a product category and extrapolate that information to the data characteristics of the product category, will gather information and test materials provided by both large and small business entities that produce the products in question. While the size distribution of the businesses within the biobased products industry is not known, RBCS estimates that of the 660 companies that are projected to begin participating in the BioPreferred Program over the next three years, 620 (or 94%) will be small businesses. RBCS will minimize burden by utilizing, to the extent possible, relevant data that has already been provided through the Voluntary Labeling Program. Moreover, because participation in the Federal Preferred Procurement Program is voluntary, it is reasonable to expect that those manufacturers and vendors that choose to cooperate in it and provide information have determined that the business benefits to them outweigh any data burdens.

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.

RBCS will only collect the necessary amount of information and testing of individual products to satisfy the statutory requirements for designating product categories by rulemaking for preferred procurement. To do information collection less frequently than necessary for purposes of designating product categories for preferred procurement by rulemaking would mean RBCS would intentionally delay the designation of product categories for preferred procurement and would, as a result, deny manufacturers and vendors of products within those product categories the economic benefits of preferred procurement by Federal agencies.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

a. Requiring respondent to report information more than quarterly.

Respondents will not be required to report to RBCS on a quarterly basis or more often than that.

b. Requiring written response in less than 30 days.

RBCS will not require written responses but, rather, will only request voluntary cooperation from manufacturers and vendors. In the case of voluntary cooperation, the manufacturer and vendor may choose to respond to information requests within 30 days but are not required to do so.

c. Requiring more than an original and two copies.

RBCS will not require more than an original and two copies of any document submitted to it by cooperating manufacturers and vendors. Every effort will be made to collect such information electronically, using the RBCS electronic information system.

d. Requiring respondent to retain records for more than 3 years.

RBCS does not require retention of data for product category designation purposes by voluntary respondents beyond a three-year interval unless that is already required by normal business practice of the respondent firm.

e. 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.

RBCS does not anticipate conducting statistical surveys under this authorization.

f. Requiring the use of a statistical data classification that has not been reviewed and approved by OMB.

RBCS does not anticipate conducting statistical surveys or requiring use of statistical data classifications under this authorization.

g. Requiring 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.

RBCS will not do so under this authorization.

h. 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.

RBCS does not believe that any of the information voluntarily submitted by manufacturers to the BioPreferred Program is considered confidential by respondents.

8. If applicable, identify the date and page number of publication in the Federal Register of the agency's notice soliciting comments on the information collection. Summarize public comments received and describe actions taken by the agency in response to these comments. 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, reporting, format (if any), and on data elements to be recorded, disclosed, or reported.

RBCS published a notice requesting comment on the extension of the previously approved information collection for the Guidelines (see 88 FR 48428, Thursday, July 27, 2023). The 60-day comment period closed September 25, 2023. The Agency received one comment that was not related to this collection of information.

RBCS received feedback from Program participants (information included below) regarding the collection of information used to establish new product categories for the Federal Procurement Program. These participants provided product information that enabled RBCS to establish new product categories for their respective product types. All three participants were happy with the process of establishing new categories based on product information they had provided and were exited that the BioPreferred Program expanded its category offerings. One participant, Theresa White, added that the category addition would be helpful for people to find their products in the BioPreferred Program's catalog more easily.

Target Corporation
- 1000 Nicollet Mall, Minneapolis, MN 55403
- Principal Scientist; 612-304-6073

The Clorox Company
- 4900 Johnson Dr, Pleasanton, CA 94588
- Product Safety Principal Scientist; 925-368-6000

Natracare LLC
- 3620 W 10th Street, Greeley, CO 80634
- Senior Executive Officer; 970-304-0076

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There is no intent to provide any payment or gift to respondents.

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

RBCS does not believe that any of the information voluntarily submitted by manufacturers to the BioPreferred Program is considered confidential by respondents.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private.

No such questions will be asked.

12. Provide estimates of the hour burden of the collection of information.

Through 2023, RBCS has, under this current OMB approval, finalized the designation of 139 product categories that have been added to Subpart B of 7 CFR part 3201. As shown in Table 12.1, RBCS estimates that there are approximately 44 additional product categories for which it intends to collect information to support their designation for preferred procurement for each fiscal year.

Table 12.1 – Estimate of New Product Categories to be Designated

Types of Product Categories Designated	Estimated 1 Year Total	% of Respondents Line Item is Applicable To (Include in Burden Hours Workbook)
Typical Biobased Products	12	27%
Intermediate Ingredients	3	7%
Finished Products Made from Designated Intermediate Ingredients	25	57%
Complex Assemblies	4	9%
Total New Product Categories Designated	**44**	**100%**

Table 12.2, Total Cost of Burden, shown below summarizes the estimated average annual burden associated with the Federal Preferred Procurement Program. The attached Burden Hours workbook provides an Information Collection Burden Hours worksheet that details the estimates.

Table 12.2 - Total Cost of Burden

Burden Item	Estimated Yearly Average Burden
Number of Respondents	220*
Total Annual Responses	220
Total Hours Per Year (Burden Hours)	8,800
Cost Per Hour	$44.68
Total Annual Cost	$393,162
Average Hours Per Response	40.0
Number of Responses per Respondent	1
Total Estimated Burden for each individual application	$1,787.10

* RBCS estimates an average of 5 manufactures (respondents) per product category; therefore, 220 (44 x 5) number of respondents.

The hourly rate of $44.68 is based on U.S. Bureau of Labor Statistics data[1] that show that $1,102 and $1,658 was the median weekly employee earnings in 2022 for the manufacturing industry and management occupations, which translates to a median hourly rate of $34.50 for a combination of labor and management for the manufacturing industry if a 40 hour work week is assumed. This $34.50 median hourly rate was increased by 29.5 percent, the average benefits rate in the private industry, to yield a rate of $44.68 per hour, which is considered reasonable under the expectation that

[1] *Household Data Annual Averages*, U.S. Bureau of Labor Statistics, accessed May 2, 2023, https://www.bls.gov/cps/cpsaat43.pdf.

at least half the burden hours would likely be provided by employees earning less than this hourly rate and up to half the employees would be earning more.

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

There are no capital/start up or operation/maintenance costs associated with the Program.

14. Provide estimates of annualized cost to the Federal government.

The estimated Annualized Cost to the Federal Government is $178,582, which is summarized in Table 14.1 below. The attached Burden Hours workbook provides an Annualized Cost to the Federal Government worksheet that details the following:

- Four (4) Types of Product Categories Designated
- Staff Positions for each Type of Product Categories Designated.
- Calculated Wages Rates for each Staff Position.
- Number of hours required for each Staff Position.
- Total Cost for each Staff Position, Review Step and to the Federal Government.

Table 14.1: Total Cost to the Federal Government

Type of Product Categories Designated	Cost of Each	Number of Responses	Total Cost
Typical Biobased Products	$757.55	60	$45,453
Intermediate Ingredients	$757.55	15	$11,363
Finished Products Made from Designated Intermediate Ingredients	$757.55	125	$94,693
Complex Assemblies	$1353.63	20	$27,073
Total Cost to Federal Government	**$3,626.28**		**$178,582**

Type of Product Categories Designated. Brief explanation of the four types of product categories designated below:

- *Typical Biobased Products* – Agency review of information provided by manufacturers (respondents) including manufacturer's contact information, product availability, biobased content, and special performance features. RBCS estimates an average of 5 manufactures (respondents) per product category of typical biobased products, for a total of 60 responses.
- *Intermediate Ingredients* – Agency review of information provided by manufacturers (respondents) including manufacturer's contact information, product availability, biobased content, and special performance features. RBCS estimates an average of 5 manufactures (respondents) per product category of intermediate ingredient products, for a total of 15 responses.
- *Finished Products Made from Designated Intermediate Ingredients* – Agency review of information provided by manufacturers (respondents) including manufacturer's contact information, product availability, biobased content, and special performance features. RBCS estimates an average of 5 manufactures (respondents) per product category of finished products made from designated intermediate ingredients, for a total of 125 responses.

- *Complex Assemblies* – Agency review of information provided by manufacturers (respondents) including manufacturer's contact information, product availability, biobased content, and special performance features. RBCS estimates an average of 5 manufactures (respondents) per product category of complex assembly products, for a total of 20 responses.

Staff Positions, GS Salary, and Total Salary Rate Calculated. Table 14.2 below provides the staff positions used for the Type of Product Categories Designated along with each Staff Positions General Schedule (GS) Grade, Step and Salary. The GS Salary was obtained by using Tables 2023-DCB (Pay & Leave : Salaries & Wages - OPM.gov) and 2023-ES (Pay & Leave : Salaries & Wages - OPM.gov) from the U.S. Office of Personnel Management (OPM), Policy, Pay & Leave, Salaries & Wages.

Table 14.2: Staff Positions and GS Salary

Staff Position	GS Grade	GS Step	GS Salary
Assistant Deputy Administrator	15	5	$176,458
Procurement Analyst	14	5	$150,016

The Agency calculated the Hourly Rate by dividing the GS Salary by 52 weeks a year and then dividing that result by 40 hours per week. The benefits for each position was calculated by using the civilian position full fringe benefit cost factor of 36.25% from the Office of Management and Budget (OMB) Memorandum for the Heads of Executive Departments and Agencies (M-08-13) dated March 11, 2008 (Memorandum for the Heads of Executive Departments and Agencies (whitehouse.gov)).

The Agency has two contractors that assist with the review process for the Voluntary Labeling Program and Guidelines for Designating Biobased Products for Federal Procurement, which the estimated total contract cost is $1,642,000. The total estimated contract is broken down for each contractor as shown in Table 14.3.

Table 14.3: Total Estimated Consultant Contracts

Contractor	Agency Estimated Total Contract Amount
1	$583,000
2	$1,059,000
Total	**$1,642,000**

Table 14.4 below provides the breakdown for each contract by Contractor and Types of Product Categories Designated for the Guidelines for Designating Biobased Products for Federal Procurement. The percentages does not total 100% because the contracts are part of a larger contract. The amounts from Table 14.4 for each types of product categories designated was used to determine the cost subtotals for each Contractor listed on the Annualized Cost to the Federal Government worksheet in the Burden Hours Workbook.

Table 14.4: Guidelines for Designating Biobased Products for Federal Procurement Breakdown for each Consultant Contract

Review Steps	Total Contract Amount Applied			
	Contractor 1		Contractor 2	
	%	Total Cost	%	Total Cost
Typical Biobased Products	3%	$18,865	1%	$13,756
Intermediate Ingredients	1%	$4,716	0.3%	$3,439
Finished Products Made from Designated Intermediate Ingredients	7%	$39,303	3%	$28,658
Complex Assemblies	3%	$16,376	1%	$6,419
Total	**14%**	**$79,260**	**5.3%**	**$52,272**

15. Explain the reasons for any program changes or adjustments reported in items 13 or 14 of the OMB Form 83-I.

There were no Program changes or adjustments to the annual reporting and recordkeeping hour burden (reported in Item 13 of the OMB Form 83-I) as the number and types of new product categories expected to be added annually has not changed. The number of responses per new product category and amount of time estimated for each response have not changed as well.

The annual reporting and recordkeeping cost burden (reported in Item 14 of OMB Form 83-I) has changed due to the change in the average salary and benefits cost for respondents.

16. For collection of information whose results will be published, outline plans for tabulation and publication.

Collections of information are published in that they are posted to the BioPreferred Program website.

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.

RBCS is not seeking approval to not display the expiration date for OMB approval of the information collection.

18. Explain each exception to the certification statement identified in Item 19 on OMB 83-1.

There are no exceptions requested.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

The collection of information under this Program will not employ statistical methods.