**Supporting Statement**

**Emergency Relief Program 2022 (ERP 2022)**

**OMB control number-0560-NEW**

FSA is requesting **EMERGENCY CLEARANCE** because FSA is directed by USDA to implement ERP 2022, which will assist crop producers who suffered losses due to qualifying disaster events.

FSA is administering ERP in two tracks (referred to as Track 1 and Track 2). ERP Track 1 will use a streamlined process with pre-filled application forms for losses where the data is already on file with FSA or the Risk Management Agency (RMA) as a result of the producers previously receiving a Noninsured Crop Disaster Assistance Program (NAP) payment or a crop insurance indemnity under certain crop insurance policies. ERP Track 2 will provide payments for other eligible losses through a revenue-based approach using a traditional application process during which producers will provide the information required to calculate a payment. This emergency request includes details related to both Track 1 and Track 2.

**1. Circumstances that make the collection of information necessary.**

Title I of the Disaster Relief Supplemental Appropriations Act, 2023 (Division N of the Consolidated Appropriations Act, 2023; Pub. L. 117-328) provides $3.741715 billion for necessary expenses related losses of revenue, quality, or production of crops (including milk, on-farm stored commodities, crops prevented from planting in 2020 and 2021, and harvested adulterated wine grapes), trees, bushes, and vines, as a consequence of droughts, wildfires, hurricanes, tornadoes, floods, derechos, excessive heat, winter storms, freeze, including a polar vortex, smoke exposure, quality losses of crops, and excessive moisture occurring in calendar year 2022. FSA is directed by USDA to use part of this funding to provide assistance to eligible crop producers through ERP 2022.

ERP Track 1 will use a streamlined application process for losses for which data is already on file with FSA and RMA. Producers will certify on the application that the loss was due, in whole or in part, to a qualifying disaster event and indicate that they agree to obtain crop insurance or NAP coverage for the next two available crop years, which is a statutory requirement for payment eligibility. Producers with a Whole Farm Revenue Protection policy or whole-farm unit must also indicate the percentage attributed to specialty crops to implement payment limitation provisions as required by law.

Track 2 will assist producers for other eligible crop losses through a revenue-based approach. Track 2 applicants will complete an application form to indicate their benchmark and disaster year revenue, and percentage from specialty crops. Track 2 producers must also submit FSA-525, Crop Insurance and/or NAP Coverage Agreement, to certify that they will purchase federal crop insurance or NAP coverage as required by law. FSA is also providing optional worksheets (FSA-525-A and FSA-525-B) that Track 2 applicants can use to assist in calculating their benchmark and disaster year revenue. Using a revenue-based approach will also reflect losses of production and quality of crops without requiring the more extensive calculations and documentation required under some previous programs addressing individual crop losses due to disaster events. Using a decrease in gross revenue in the calculation of Track 2 payments also captures a producer’s loss due to a qualifying disaster event regardless of whether the loss occurs before harvest or after harvest while the crop is in storage, further streamlining the delivery of assistance.

Producers may also need to submit additional forms if not already on file with FSA, including forms to establish their eligibility for a higher payment limitation or payment rate, if applicable.

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

The information submitted by respondents will be used by FSA to determine eligibility and issue payments to eligible applicants under ERP 2022.

Applicants will complete the following forms to apply for ERP 2022 payments:

**Track 1 only:**

FSA-523, Emergency Relief Program (ERP) 2022 Track 1 Application — This form will be pre-filled with data already on file with FSA and RMA and mailed to producers. To be eligible for a Track 1 payment, applicants must certify on this form that the loss was due, in whole or in part, to a qualifying disaster event and indicate that they agree to obtain crop insurance or NAP coverage for the next two available crop years. Producers with a Whole Farm Revenue Protection policy or whole-farm unit must also indicate the percentage attributed to specialty crops in order to implement payment limitation provisions as required by law.

**Track 2 only:**

FSA-524, Emergency Relief Program (ERP) 2022 Track 2 Application — Applicants must submit this form to be eligible for a Track 2 payment. Applicants will complete this form manually or electronically and submit it to their FSA County Office.

FSA-524A, Emergency Relief Program (ERP) 2022 Track 2 Tax Year Revenue Worksheet — This form may be used by Track 2 applicants using the tax year option to assist in calculating their allowable gross revenue. Applicants will manually complete this form, and they may use it to support their certification on FSA-524 if additional information is requested by FSA.

FSA-524B, Emergency Relief Program (ERP) 2022 Track 2 Expected Revenue Worksheet — This form may be used by Track 2 applicants using the expected revenue option to assist in calculating their expected and actual revenue. Applicants will manually complete this form, and they may use it to support their certification on FSA-524 if additional information is requested by FSA.

FSA-525, Crop Insurance and/or NAP Coverage Agreement — Track 2 applicants will use this form to certify their agreement to purchase crop insurance or NAP coverage as required by the Disaster Relief Supplemental Appropriations Act, 2023.

**Track 1 and Track 2:**

AD-2047, Customer Data Worksheet — This form is required to collect basic customer information necessary to establish the applicant’s record in FSA’s Business Partner system and issue a payment. Most applicants will already have this form on file with FSA.

CCC-901, Member Information for Legal Entities — Legal entities are required to complete this form to report information about their farming operation to determine eligibility for payments. Most legal entities will already have this form on file with FSA.

CCC-902, Farm Operating Plan — This form is used to collect information about individuals or legal entities and to report their farm operations to determine eligibility for payments. Most applicants will already have this form on file with FSA due to their participation in previous programs.

AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification — This form is required to certify compliance with the highly erodible land and wetland conservation provisions as a condition of eligibility for certain USDA programs. It is not necessary to complete this form if a previously filed AD-1026 is on file in the FSA serving office and there have not been any changes in the farming operation or previously listed affiliates**.** Most applicants will already have this form on file with FSA. This form is exempted from the PRA for any FSA programs but is included in the burden hours for information**.**

Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification — Applicants will use this form if they are certifying that they meet the definition of a socially disadvantaged, limited resource, beginning, or veteran farmer or rancher (collectively referred to as underserved producers). Track 1 payments to underserved producers will include a refund of NAP or crop insurance premiums and fees, and Track 2 payments will be calculated using a higher payment rate for underserved applicants. Applicants who have previously participated in NAP; the Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish Program (ELAP); ERP (for 2020 and 2021 qualifying disaster events); the Emergency Livestock Relief Program (ELRP); or ELRP 2022 are expected to already have this form on file with FSA.

Form FSA-510, Request for an Exception to the $125,000 Payment Limitation for Certain Programs — Applicants, and members of legal entities that are applicants, will use this form to certify that at least 75 percent of their average adjusted gross income (AGI) is derived from farming, ranching, or forestry related activities to qualify for an increased payment limitation. Applicants who previously participated in ELRP 2022 are expected to already have this form on file with FSA.

**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 decisions for adopting this means of collection. Also describe any consideration of information technology to reduce burden.**

For Track 1, FSA-523, Emergency Relief Program (ERP) 2022 Track 1 Application, will be pre-filled with information already on file with FSA or RMA as a result of the applicant’s participation in federal crop insurance or NAP. Track 1 applications will be pre-filled and mailed to producers to reduce the burden. The applicants will submit pre-filled and certified application to an FSA County Office in person or by mail, E-mail, or FAX. FSA county office staff will complete the application processing in an automated system.

For Track 2, producers may complete an application manually or electronically and submit it to their FSA County Office. FSA county office staff will complete the application processing in an automated system.

Also, ERP 2022 applicants must submit the following forms if not already on file with FSA:

AD-2047, Customer Data Worksheet;

CCC-901, Member Information for Legal Entities;

CCC-902, Farm Operating Plan;

AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification; Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification (if applicable); and

Form FSA-510, Request for an Exception to the $125,000 Payment Limitation for Certain Programs (if applicable).

The electronic form versions are available in the USDA eForms website: https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home. Forms will also be made available at the following website for emergency relief programs: https://www.fsa.usda.gov/programs-and-services/emergency-relief/index

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

ERP 2022 is a new information collection; therefore, no similar form exists. For Track 1, the loss data needed to calculate a payment is already on file with FSA and RMA; FSA will pre-fill applications with that data to avoid duplication in data submission by applicants.

For Track 2, revenue loss data is not already on file with RMA or FSA, so producers must complete an application to provide that information.

**5. Methods to minimize burden on small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods to minimize burden.**

The information collected does not adversely impact small businesses or other small entities. There are 24,738 small businesses or entities. For Track 1, FSA has taken steps to minimize burden by pre-filling the application with data already on file with FSA and RMA. For Track 2, FSA has determined that the best estimation of such losses is a producer’s decrease in revenue, which will allow FSA to assist producers who suffered eligible losses without requiring information to be submitted for each individual crop loss.

**6. Describe the consequences to Federal program or policy activities if the collection is not conducted or conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

Failure to solicit applications will result in failure to provide payments to eligible applicants as intended by the Disaster Relief Supplemental Appropriations Act, 2023.

**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 that quarterly;**

None.

* **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

None.

* **Requiring respondents to submit more than an original and two copies of any document;**

None.

* **Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**

None.

* **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;**

None.

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

None.

* **That includes 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; or**

None.

* **Requiring respondents to submit proprietary trade secret, 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.**

None.

**8. Describe efforts to consult with persons outside the Agency to obtain their view on the availability of data, frequency of collection, the clarity of instructions and record keeping, disclosure, or reporting format (if any), and on data elements to be recorded, disclosed, or reported.**

This is a new information collection request. The ERP 2022 Notice of Fund Availability (NOFA) will be published in the *Federal Register* and will include the 60-day notice requesting for public comment on the information collection request. The 3 names for consultation on the ERP 2022 information collection request will be included in the regular submission.

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

Eligible applicants will receive ERP 2022 payments calculated as specified in the NOFA published in the *Federal Register*. No other payments or gifts will be provided to respondents.

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

Agency policy prohibits the giving out of individual information. This information is handled according to the Privacy Act of 1974 (5 USC 552a, as amended) and Freedom of Information Act. The information collected on the ERP 2022 application forms may be disclosed to other Federal, State, and Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated).

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

No questions of a sensitive or personal nature are included in the application.

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

USDA estimates that up to 230,000 producers may apply for ERP 2022 payments. See the Reporting and Recordkeeping Requirements spreadsheet that contains all the numbers for each form.

The annual burden for this information collection package is 100,072 hours.

FSA-523, Emergency Relief Program (ERP) Track 1 Application — Applicants are required to certify this pre-filled form to be eligible for a Track 1 payment. The estimated burden hours for the application are 50,000 (200,000 x 15 minutes).

FSA-524, Emergency Relief Program (ERP) Track 2 Application — Applicants will submit this form in order to apply for a Track 2 payment. The estimated burden hours for the application are 30,000 (30,000 x 1 hour).

FSA-524-A, Emergency Relief Program (ERP) 2022 Track 2 Tax Year Revenue Worksheet — This form may be used by Track 2 applicants using the tax year option to assist in calculating their allowable gross revenue. The estimated burden hours for the application are 5,000 (5,000 x 1 hour).

FSA-524-B, Emergency Relief Program (ERP) 2022 Track 2 Expected Revenue Worksheet — This form may be used by Track 2 applicants using the expected revenue option to assist in calculating their expected and actual revenue. The estimated burden hours for the application are 5,000 (5,000 x 1 hour).

FSA-525, Crop Insurance and/or NAP Coverage Agreement — Applicants will use this form to certify their agreement to meet the requirement to purchase crop insurance or NAP coverage for crops which suffered eligible losses as required by law. The estimated burden hours for the application are 5,100 (30,000 x 0.17 hours).

AD-2047, Customer Data Worksheet — Applicants are required to submit this form if not already on file with FSA. The estimated burden hours for the form are 88 (1,750 x 0.05 hours).

CCC-901, Member Information for Legal Entities — Producers that are legal entities are required to complete this form to report information about their farming operation if they have not previously provided it. The estimated burden hours for the form are 184 (2,300 x 0.08 hours).

CCC-902, Farm Operating Plan — Applicants are required to submit this form if not already on file with FSA. The estimated burden hours for the form are 1,840 (23,000 x 0.08 hours).

AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification — This form is required to certify compliance with the highly erodible land and wetland conservation provisions as a condition of eligibility for certain USDA programs. It is not necessary to complete this form if a previously filed AD-1026 is on file in the FSA serving office and there have not been any changes in the farming operation or previously listed affiliates**.** This form is exempted from the PRA for any FSA programs but included the burden hours for information**.** The estimated burden hours for the form are 64 (805 x 0.08 hours).

Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification — Applicants must use this form if they are certifying that they meet the definition of a socially disadvantaged, limited resource, beginning, or veteran farmer or rancher. The estimated burden hours for the form are 2,300 (23,000 x 0.10 hours).

Form FSA-510, Request for an Exception to the $125,000 Payment Limitation for Certain Programs — Applicants, and members of legal entities that are applicants, will use this form to certify that at least 75 percent of their average AGI is derived from farming, ranching, or forestry related activities to qualify for the increased payment limitation. The estimated burden hours for the form are 560 (7,000 x 0.08 hours).

Respondent cost per hour was derived by using U.S. Bureau of Labor Statistics Occupational Employment and Wages, May 2022, 11-9013 Farmers, Ranchers, and Other Agricultural Managers. The hourly wage rate, as measured by the Bureau of Labor, is $49.58. Fringe benefits for all private industry workers are an additional $12.97 which resulted in a total of $62.55 per hour. The estimated cost is $6,259,472 ($62.55 x 100,072 hours).

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

There are no capital, startup, or ongoing operation/maintenance costs associated with this information collection to respondents or record-keepers.

**14. Provide estimates of annualized cost to the Federal Government.**

The Track 1 application will be available to county employees in an automated system that reflects the pre-filled applications; therefore, manual input of loss data will not be required. For Track 2, applicants will submit their information to FSA and employees will complete the application processing in an automated system.

The estimated FSA county employee cost per response is equal to 0.25 hours for completion of a Track 1 application, or 1 hour for completion of a Track 2 application, multiplied by $29.69 (estimated county employee average hourly wage; based on 2023 General Schedule, Grade 7, Step 6). Fringe benefits for all government workers are an additional 31 percent, or $19.87, resulting in a total of $49.56 per hour. The total annualized cost to the Federal Government is $3,964,800 ((200,000 x 0.25 hours x $49.56) + (30,000 x 1 hour x $49.56).

**15. Explain the reason for any program changes or adjustments reported.**

This is a new information request.

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

FSA may announce the total number of ERP 2022 applicants and payments issued by press release or other means.

**17. If seeking approval to not display the expiration date for the OMB approval of information collection, explain the reasons that display would be inappropriate.**

FSA is requesting to display the OMB expiration date.

**18. Explain each exception statement to the certification statement identified.**

FSA is able to certify compliance with all provisions.