

SUPPORTING STATEMENT - PART A for

OMB Control Number 0563-0053:

Multiple Peril Crop Insurance

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Multiple Peril Crop Insurance

Federal Crop Insurance Program

7 CFR Part 457

USDA, Federal Crop Insurance Corporation, Risk Management Agency

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Impact of Notice on Public Information Collection Burden

The information collection burden on the producer is not the same as the information collection burden on the insurance companies. Some of the data elements collected from the individual producer are the same data elements the insurance companies send to the Federal Crop Insurance Corporation (FCIC); however, not all data elements apply to each producer in any given year and some of the data elements that apply to the insurance companies do not apply to producers. Specific circumstances determine which data elements apply. The information collection burden for a producer depends on the crops insured, if it is the first year or a renewal insurance policy contract, if there is a loss, if options are elected to the insurance policy, etc. The producer may have a larger information collection burden the first year if applying for insurance and completing the acreage report. In the following years, the producer may only have to report acreage and yield information if there is no loss. In the event of a loss, there is an additional information collection burden on the producer. Producers will report specific information by crop for each crop they insure. The insurance companies will generally have an information collection burden consisting of all the data elements listed because the data elements will be accumulated from each producer who has an insurance policy with that insurance company or Approved Insurance Provider (AIP). Insurance companies will report data elements to FCIC as specifically required by FCIC and as documented in the Appendix III to the Standard Reinsurance Agreement and the Livestock Price Reinsurance Agreement: 2025 Reinsurance Year/M-13 Handbook (OMB: 0563-0069 exp. 9/30/2027).

A. JUSTIFICATON

- 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.**

FCIC requests a revision of a currently approved information collection. FCIC is a wholly-owned Government corporation created February 16, 1938 (7 U.S.C. 1501). The program was amended previously, by Public Law 96-365, dated September 26, 1980, that provided for nationwide expansion of a comprehensive crop insurance program. The Federal Crop Insurance Act (Act), as amended in later years, further expanded the role of the crop insurance program to be the principal risk management safety net used by producers to cover crop losses. The Act further required that the crop insurance program operate on an actuarially sound basis. To meet these goals, existing crop programs must be improved and expanded, new crop products developed, and new insurance concepts studied for possible implementation. Meeting these goals requires the collection of a wide range of information (data elements). These data elements are used in part to determine insurance coverage, premiums, subsidies, payments, and indemnities. It allows for other program and administrative operations. It also creates an information database used to support continued development and improvements in crop insurance products available to producers and which meet the goal of a sound insurance program.

The Act was again amended on June 20, 2000, by Public Law 106-224 which mandates changes to crop insurance regulations, provides for independent review of crop insurance products by persons experienced as actuaries and in underwriting, and gives contracting authority for the development of new products.

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 information collection requirements for this revised package are necessary for administering the crop insurance program. The collection of information involves producers and insurance companies. The affected public is Private Sector - Farms and Private Sector – Businesses or other for-profits and not-for-profits (Companies, Agents & Loss Adjusters). Specific information (data) is required to apply for crop insurance, determine program eligibility, report crop information, establish liability, change coverage, determine a loss, etc. Producers must provide records, documents, or other information to the insurance company during an investigation or settlement of a claim. Insurance companies may provide late or prevented planting coverage, or provide coverage under a written agreement when coverage would not otherwise be available, etc. Pertinent information must be collected by the established dates to administer the crop insurance program in an actuarially sound manner.

Insurance companies must obtain enough information so insurability, liability, premium, subsidy, and indemnities can be accurately determined. It is important that insurance agents work closely with producers to collect accurate information since the guarantee, liability, premium, subsidy, and any applicable indemnities are based on this information.

a. What information will be collected – reported or recorded? (If there are pieces of information that are especially burdensome in the collection, a specific explanation should be provided.)

The insurance cycle begins with an approved application. On or before the sales closing date, the producer contacts an insurance agent associated with an insurance company reinsured by FCIC to obtain information about insurance and apply for coverage. The insurance agent describes the types of insurance that are available, levels of coverage, options and other requirements that may be crop-specific. If the producer elects to apply for insurance coverage, the insurance agent will enter the data on the application using input from the producer, the producer then signs the applicable documents. In order to establish the guarantee, the producer must report to the insurance agent actual planted acreage and production for previous crop years by unit, practice, type, and variety, at the time of application. After the year of application, the producer must report to the insurance agent, actual planted acreage and production, by unit, practice, type, and variety for the previous crop year by the earlier of the acreage reporting date or 45 days after the cancellation date, unless otherwise stated in the Special Provisions (SP). This information is used to complete the production and yield report and establish the producer's approved Actual Production History (APH) yield used to determine an insurance guarantee for a covered crop year, unless the producer qualifies for and elects

an exception as specified in the specific crop policy. APH yields must be determined by unit and reported for the appropriate unit. If the producer meets the qualifications, unit arrangements may change every year requiring specific information to assure the correct APH yield is reported for a specific type of unit. The APH production base period contains a maximum of 10 years of production history that may be used to establish the approved APH yield. A minimum of 4 years of actual or the Risk Management Agency (RMA) established yields are required to establish the APH yield. Generally, the production guarantee for each unit is computed by multiplying the percentage of coverage selected by the producer by the approved APH yield for each unit. The production guarantee per acre multiplied by the projected price or price election selected by the producer, as applicable equals the per acre protection. The net protection or insurance liability is determined by multiplying the per acre protection by the insured acres by the producer's share in the crop. Insurance agents must be knowledgeable of the crop policies for each crop they sell and service so they can assist the producer in obtaining insurance and accurately reporting required information. Insurance agents must be certified and receive continuing education each year from the insurance company or a crop insurance service organization. Many crops are insurable by type/variety/practice, some policies have additional options that may be selected, and some policies have distinct exceptions to certain coverage from other policies. Most producers rely on their insurance agents to assist them in timely and accurately reporting all required information.

The producer plants the crop and insurance attaches to the crop upon planting or attaches as stated in the applicable crop provisions. Annual crops must be planted prior to the final planting date specified in the SP or the insurance guarantee will be reduced.

FCIC requires crop acreage information to be submitted to the insurance agent by each producer on or before a specific date listed in the SP. The policies insurance companies sell to producers, contain specific provisions for the reporting of acreage. The Basic Provisions state specific information (data) the producer must submit on the acreage report. The name of the crop, the number of timely planted acres, late planted acres, acres that were prevented from planting, the number of insurable and uninsurable acres, the producer's share of the crop, date planting is completed, name of person sharing in the crop, APH yield, practice, type, class, or variety, location of the acreage, etc., are entered on the acreage report, as applicable, with each line requiring a unit number. This information is used to determine liability, premium, and subsidy. If the producer does not submit crop information by the acreage reporting date, or if the producer fails to report all units, the insurance company may elect to determine by unit, the insurable crop acreage, share, type and practice, or to deny liability on such units. Program procedures require producers to report acreage information to their insurance agent who transmits it to the insurance company, who in turn transmits it to RMA. A summary of coverage is issued by the insurance company to the producer which shows the amount of the producer's protection and the premium based on the commodity information provided by the producer. Insurance agents generally know the producer's farming operation and location and they assist the producer in reporting the correct data by asking the appropriate questions, referencing plat books and maps, comparing previous information available in the producer's office file folder, etc., to verify that the data is reported correctly.

If the crop sustains an insurable loss, the producer gives notice of a loss to the insurance agent who notifies the insurance company. A loss adjuster will make appropriate inspections and record data pertaining to the crop appraisal when adjusting losses, and to determine the amount of indemnity owed to the producer. The insurance company will issue an indemnity check to the producer, if applicable.

The producer is notified on or before the contract change date when policy provisions or actuarial documents change for a crop. The producer may accept these changes or make other modifications to the insurance coverage by the sales closing date. If the producer desires to make changes for the crop, the producer may do so by the applicable sales closing date for the effective crop year. If the producer wishes to cancel coverage this must be done in writing by the cancellation date (but not for the year of application).

The insurance policy is continuous unless, prior to the cancellation or termination date, it is canceled in writing by the producer or terminated by the insurance company for debt or any other reason stated in the policy that causes the producer to be ineligible for coverage. Cancellation and termination dates are contained in the policy.

b. From whom will the information be collected? If there are different respondent categories (e.g., loan applicant versus a bank versus an appraiser), each should be described along with the type of collection activity that applies.

Insurance companies reinsured by FCIC under the Standard Reinsurance Agreement (SRA) and Livestock Price Reinsurance Agreement (LPRA) Reinsurance Agreements are required to report and electronically submit specific, accurate information and data (data elements) to FCIC as documented in Appendix III of the Standard Reinsurance Agreement and the Livestock Price Reinsurance Agreement: 2025 Reinsurance Year. Crop insurance companies, including its agents, must collect data from producers in order to submit the required data to RMA. Producers are required to report specific data when they apply for crop insurance and report acreage, yields, and notices of loss. Producers must report specific information if the crop insurance program is to be actuarially sound as mandated by section 506(o) of the Act, and sections 506(h) and 508(f) and (g) of the Act relative to the collection of information.

Insurance companies accept applications; issue policies; establish and provide insurance coverage; compute liability, premium, subsidies, and losses; indemnify producers; and report specific data to FCIC as required in Appendix III of the Standard Reinsurance Agreement and the Livestock Price Reinsurance Agreement: 2025 Reinsurance Year. Insurance agents market crop and livestock insurance and service the producer.

c. What will this information be used for – provide ALL uses?

Insurance companies must obtain enough information so insurability, liability, premium, subsidy and indemnities can be accurately determined.

Insurance companies are reinsured by FCIC under the Reinsurance Agreements and are required to electronically submit specific and accurate data to FCIC. Loss data must be

submitted for the purpose of funding the escrow account. The escrow account balance must be monitored by the companies so they can maintain sufficient collateral to ensure timely funding of all losses. If there is a shortfall of funds in the escrow account, it is the insurance company's responsibility to deposit funds to cover any shortages. Monthly Operations Reports must be submitted for the purpose of making monthly settlements with FCIC regarding reimbursement of administrative and operating expenses, underwriting gain/(loss), indemnities, if applicable, and payment of premium to FCIC. A Policy Acceptance and Storage System (PASS) Error Report must be submitted to the Data Quality Branch (DQB) for guidance in correcting data rejected in the PASS. The underwriting gain or loss of the Company is calculated in the monthly Reinsurance Run Report generated by FCIC from data submitted by the Company. The FCIC PASS and Reinsurance Accounting System (RAS) are two integrated data processing systems. PASS receives and validates transmitted data. Data validated by PASS is loaded to RMA databases. The RAS generates all accounting reports containing reinsured company data. Together they provide FCIC with a mechanism to ensure data received is accurate, errors are corrected timely, information contained in Monthly Operations Reports certified by the Companies is accurate for the data validated, and appropriate accounting entries are made in FCIC's Financial Accounting Systems. Annual settlement Operations Reports must continue to be submitted for any month that revised data are submitted. Court action, compliance, audit or investigative related findings by the Government or the insurance company after the September accounting cut-off following 5 years from the beginning of the reinsurance year must be reported to FCIC by the last banking day of each month corresponding to the transaction cutoff date.

Insurance policies are sold exclusively through insurance companies reinsured by FCIC in accordance with the Reinsurance Agreements. In addition, insurance companies reinsure a portion of their risk for loss with other reinsurers as well. The insurance companies and their reinsurers assume liability. Insurance liability is determined from the information provided on the acreage report. Insurance companies are compensated for collecting acreage report information in accordance with the Reinsurance Agreements. Producers may potentially report some of the same acreage information to both the insurance agent and a government agency. However, it is unrealistic insurance companies would accept acreage report information from any third party, since such information is used to determine the insurance liability an insurance company assumes and establishes the contractual obligations between the producer and the insurance company. As such, the insurance company incurs all financial liability for errors and omissions to the extent the producer is not at fault.

In accordance with the Reinsurance Agreements, the insurance company and/or agent may be held responsible for any subsequent loss or indemnity and may be rendered ineligible for reinsurance and a portion or all of any administrative and operating subsidy, if a reinsured company representative or agent makes an error, reports incorrectly, omits information, or misrepresents information. Insurance companies and their agents are required to provide service and benefits to their clients in accordance with the Reinsurance Agreements and approved policy provisions and procedures of FCIC.

d. How will the information be collected (e.g., forms, non-forms, electronically, face-to-face, over the phone, over the Internet)? Does the respondent have multiple options for providing the information? If so, what are they?

RMA does not develop or distribute forms but creates form criteria standards for the insurance companies to use in collecting the appropriate data for submission to FCIC as required by terms of the Reinsurance Agreements and related documents. Appendix III of the Standard Reinsurance Agreement and the Livestock Price Reinsurance Agreement: 2025 Reinsurance Year lists the fields of required data by type/exhibit. Exhibits specify formulas, rounding rules, field edits, descriptions, etc. Insurance companies use this information for programming their IT systems, so information can be submitted to RMA in the correct format. (For information collection purposes, RMA uses the types/exhibits information as the data elements.) Following is a list of the types/data elements/exhibits and a brief explanation of each:

Type 05 – Comprehensive Information Management System (CIMS) Request Record – Type 05 records are used to request insured producer data from CIMS.

Type 09 – Fund Designation Record – Timely acceptance of the Type 09 record is required to establish the eligible crop insurance contract into the Assigned Risk Fund. Any eligible crop insurance contract not designated by the insurance company to the Assigned Risk Fund will be designated to the Commercial Fund. RMA may accept fund designations records after the Actuarial Data Master (ADM) records have been released for the crop.

Type 10 – Policy Record – Type 10 records are used to establish a policy and provide information regarding the policyholder and entities with a Substantial Beneficial Interest, Spouse, Landlord, and Transfer of right to indemnity.

Type 11 – Acreage, Acreage Commodity Record – Type 11 records are used to establish premium and liability for each acreage line.

Type 12 – Payment Record – Type 12 records are used to record/report payments by producers for each eligible crop insurance contract.

Type 13 – Inventory Value Record – Type 13 records are used to establish premium and insurance values for Nursery and Aquaculture.

Type 14 – Insurance in Force Record – Type 14 records establish the crop, county, plan code and reports the eligible crop insurance contract data determined at sales closing. Type 14 records identify the data elements required for timely reporting of eligible crop insurance contracts.

Type 15 – Yield History Record – Type 15 records are used to record/report APH yield information for designated crops.

Type 16 – Livestock Gross Margin Premium Record – The Type 16 record is for the collection of liability, premium, coverage level, share, and price for Livestock Gross Margin.

Type 17 – Livestock Risk Protection Premium – The Type 17 record is for the collection of liability, premium, coverage level, share, and price for Livestock Risk Protection.

Type 18 – Dairy Revenue Protection Record – Type 18 records are for the collection of liability, premium, coverage level, share, and price for Dairy Revenue Protection. The Type 18 record Establishes Quarterly Insurance Period coverage and will be used to establish information about the quarterly insurance period and declared coverage options.

Type 19 – Whole-Farm Revenue Protection (WFRP) Farm Reports Record – Type 19 records are used to establish premium and liability for the WFRP Farm report.

Type 20 – Loss Total Record – Type 20 records are used to identify the application or disbursement of loss payments.

Type 21 – Loss Line Record – Type 21 records establish the loss amounts for a given eligible crop insurance contract.

Type 22 – Inventory Loss Record (Nursery and Aquaculture) – Type 22 records establish the loss amounts for a given eligible crop insurance contract.

Type 23 – WFRP Indemnity Record – Type 23 records establish the indemnity amounts for a given eligible crop insurance contract.

Type 24 – Livestock Gross Margin Indemnity Record – The Type 24 record is for the collection of indemnity information for Livestock Gross Margin.

Type 25 – Livestock Risk Protection Indemnity Record – The Type 25 record is for the collection of indemnity information for Livestock Risk Protection.

Type 26 – Production Reporting Record – This record allows RMA to capture production information being reported by the producer at a lower level than the APH database, which is required to be established on a county/crop/unit/practice/type, and attach the production to a specific land location, such as Common Land Unit (CLU).

Type 27 – Land ID Record – Type 27 records are used to record/report up to fourteen corresponding common land unit IDs and associated acres for the Type 11 record.

Type 28 – Dairy Revenue Protection Indemnity Record – Type 28 records are for the collection of indemnity information for Dairy Revenue Protection.

Type 29 – Livestock Coverage Inquiry Record – Type 29 records will return the Total Producer Declared Production (Type 18 record Field 28) from ALL AIPs based on the policyholder and the Quarter matching the request.

Type 35 – Personal Projected Price Record – Type 35 records determine the Approved Projected Price to calculate the guarantee, premium, any replant, and any prevented planting payments for the Production Revenue History (PRH) plans of insurance.

Type 48 – Delete Record – This record deletes the following record types: P51, P54, P55, P56, P57, and P58.

Type 49 – Policy Delete Record – Type 49 records are used to remove all records for the eligible crop insurance contract from the database(s) and the Dup process

Type 51 – Conflict of Interest (COI) Record – Type 51 record is a record to report a COI respondent's potential conflict with a policy. Type 51 records are processed by the AIP for each policy and acceptance of this record is dependent upon acceptance of corresponding 54 or 55 or 56 records. Each record must provide a response identifying either a 54 Company Employee, 55 Agent or 56 Loss Adjustor.

Type 54 – Employee Record – Type 54 is a record for Agency/Company employee data. Type 54 records require a tax identification number for all records. This record also includes COI question responses.

Type 55 – Insurance Agent Record – Type 55 records are used to record/report agent information. The agent records on the database are maintained by the AIPs.

Type 56 – Loss Adjuster Record – Type 56 records are used to record/report loss adjuster information.

Type 57 – Quality Control Reporting Record – Type 57 records are required for all Appendix IV reviews.

Type 58 – Notice of Loss Reporting Record – Type 58 records are be used to provide damage estimates to USDA, and keep RMA apprised of potential losses and occurrences by cause, date, location, and type (prevented planting, replant, production loss, other) on a national level. This will be unverified information. Notice of loss records must be submitted within five business days of the date the AIP received the notice of loss for the policy.

Type 70 – Book of Business Record – Type 70 records are submitted monthly by AIPs for their SBOB to reflect the current status of the AIP database.

Type 75 – Producer Certification Record – Type 75 records allow RMA to capture the Beginning Farmer and Rancher application information submitted by AIPs.

e. How frequently will the information be collected?

- A. Depending on the time of year, daily, weekly, and monthly submissions occur.
- B. Revisions of data must be submitted no less than monthly up through annual settlement. Thereafter, electronic data processing (EDP) revisions need only be submitted in any month where data changes as a result of court action, compliance, audit or investigative related findings by the Government or the company up to 3 years after the first annual settlement.
- C. Electronic loss data for the purpose of funding the escrow account must be reported in order to be funded.
- D. Monthly operations reports for the purpose of making monthly settlements with FCIC regarding reimbursement of administrative and operating expenses, underwriting gain/loss, indemnities, if applicable, and payment to FCIC of premiums collected must be provided. They are required to be submitted up through annual settlement. Monthly submission of data is mandatory through annual settlement if any activity occurred during the month.
- E. Annual settlement operations reports must continue to be submitted for any month that revised data are submitted.
- F. A full book of business is required to be submitted twice annually during the first week after the February and August monthly transaction cutoffs.
- G. For new and carryover policies, the company must designate eligible crop insurance contracts to the assigned risk fund or commercial funds.

f. Will the information be shared with any other organizations inside or outside USDA or the government?

The information (data) collected may be aggregated and used by other Federal Agencies, insurance companies reinsured by FCIC, and other agencies that require such information in the performance of their duties. More detailed information may also be furnished to: the Internal Revenue Service, the Department of Justice, or other Federal or State law enforcement agencies, credit reporting agencies and collection agencies, and in response to judicial order in the course of litigation. The information requested is elective but is required to obtain or retain crop insurance benefits. The producer must provide accurate and complete data so insurance companies and FCIC can accurately determine liability, subsidy, premium, and the amount of indemnity due a producer, if applicable, and keep the insurance program actuarially sound. A false claim made to the insurance provider or FCIC, or a false statement made on a matter within the jurisdiction of the Corporation, may subject the maker to criminal and civil penalties under the provisions of 18 U.S.C., 1001, 1006, 1014; 31 U.S.C. 3729, and 3730.

g. If this is an ongoing collection, how have the collection requirements changed over time?

Collection requirements remain unchanged. New pilot programs and privately developed crop insurance programs under section 508(h) of the Act have been added and include: apple trees, hemp, hybrid vegetable seed, California citrus trees, Florida citrus fruit APH, PRH strawberries, shellfish, and Nursery Value Select. These new programs individually increased the burden hours.

3. USE OF INFORMATION TECHNOLOGY:

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.

FCIC/RMA makes every effort to comply with the E-Government Act, 2002 (E-Gov) and to provide for alternative submission of information collections. In compliance with section 508(a)(5) of the Act, the Corporation to the maximum extent practicable, shall allow producers and insurance companies to use electronic methods to submit information required by the Corporation.

The insurance companies, under the oversight of FCIC, offer service delivery functions over the Internet. Internet-based services provided by these entities will be offered as an alternative to traditional paper-based delivery mechanisms, which are primarily based on face-to-face interaction between producers and insurance agents. FCIC continuously works with insurance companies to ensure timely implementation with all statutory requirements. FCIC routinely works in conjunction with the Farm Service Agency (FSA), Natural Resources Conservation Service, and Rural Development to fully integrate a web-based information system known as the Acreage Crop Reporting Streamlining Initiative (ACRSI).

OMB through their authority under the Paperwork Reduction Act of 1995 and e-Government, Congress, and other USDA stakeholders have defined expectations for USDA's performance in carrying out the requirements of the legislated directives. These expectations address the quality of USDA's effort in providing the electronic service delivery alternative. Some of the expectations reflect the "best practices" of commercial e-commerce service providers in that their service delivery practices tend to raise the expectations of the customers that will also take advantage of the services provided by USDA and insurance companies.

Electronic submissions to FCIC account for 100% by insurance companies. Insurance companies that sell and service crop insurance and crop insurance service organizations generate computer forms used to collect data elements in accordance with FCIC's information collection standards. Insurance company representatives and agents send the information they collect to the insurance companies electronically or by hard copy documents. This information is entered into insurance company databases and is used by the insurance company to sell, service, underwrite, train, and develop new products. Insurance companies use computer programs that process information in a format compatible with FCIC's automated systems. This enables insurance companies to report required data elements to FCIC electronically. Some insurance companies have computer systems programmed to automatically send the data by a specific time each day, while other insurance companies send the information less frequently. FCIC has established deadlines for receiving information or penalties apply. This information is used to determine expenses of the Corporation including premium subsidies, indemnities, administrative and operating expenses of the insurance companies, and other administrative and operating expenses of the Corporation.

RMA does not utilize any technology to directly collect data elements from producers and insurance agents; the agency does not have plans to do so for this IRC. Therefore, electronic submissions to FCIC by farms is 0% as insurance companies collect this information from farms.

Now insurance companies may or may not be exchanging data electronically with their insurance agents or accepting electronically submitted data from individual producers. Any person wanting additional information may contact an insurance company or insurance agent listed on RMA's web site at <http://www.rma.usda.gov/>.

4. EFFORTS TO IDENTIFY DUPLICATION:
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 Question 2.

Every effort has been made to avoid duplication. There is similar data collected; however, those do not meet the agency's needs. The agency has reviewed USDA reporting requirements, state administrative agency reporting requirements, and special studies by other government and private agencies. FCIC/RMA solely administers and monitors the insurance crop programs to ensure integrity. The information required for data collection is not currently reported to any other agency on a regular basis in a standardized form. Some of the same data, such as certain producer information, may be required under different plans of insurance and policies. However, once such information is provided by the producer it is used for all applicable plans of insurance and policies without the producer being required to provide the same information multiple times. An exception would apply if the producer insured different crops with different insurance companies, which would require the producer to provide some of the same information to each insurance company because of barriers in sharing certain producer data between insurance companies.

FSA and RMA share many common producers because many of the same producers participate in both FSA and RMA programs. Currently, those producers may be required to report much of the same information to both FSA and RMA. Possible duplicate information may include crop, acreage and production data, and producer data, such as names, addresses, and identification numbers.

Since 2004, the RMA and FSA have jointly worked on the CIMS project. CIMS provides a single, centralized repository of RMA and FSA information for use by authorized agencies and the insurance companies to meet their program administration data needs. CIMS supports information requests, assists in timely identification of possible reporting errors, reduces fraud and abuse vulnerabilities, reduces costs associated with data collection, and improves overall program integrity in the respective agency programs.

While CIMS has not eliminated producers from providing some of the same information to both FSA and RMA, approved USDA users can utilize CIMS web applications to access available data. CIMS also provides a tool that has proven helpful to state and

county FSA offices and insurance companies as they review, and process information required for program participation. The CIMS process builds data marts of differences between RMA and FSA producer reported data. CIMS makes these differences available to the responsible program authority for reconciliation using current program authorities, processes, and procedures. In addition, RMA, FSA, and other USDA agencies that share common producers and data are engaged in a Departmental level project to establish data standards for common information used for producer commodity reporting to USDA. The ACRSI objectives include standardizing information collection requirements, developing common producer, land and crop identifiers; and an electronic medium that allows applicable agencies immediate access to the information upon producer certification.

5. Impacts on small businesses or other small entities.

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.

The information requested is the minimum amount required to meet program requirements.

The information collection requirements involve producers of agricultural products who are insured, and insurance companies reinsured by FCIC, which includes their agents and representatives. The burden of the information collection will vary depending on whether the producer cancels the insurance coverage then reapplies, whether options are elected, the number of crops insured, if the crop is damaged by an insurable cause, if the producer has a first and second crop on the same acreage in the same crop year, etc. RMA strives to minimize the reporting burden but must collect enough information to keep the crop insurance program actuarially sound as mandated by the Act. Program requirements for the Federal crop insurance program are the same for all producers regardless of the size of their farming operation. For instance, all producers are required to submit an application and acreage report to establish their insurance guarantees and compute premium amounts, and all producers are required to submit a notice of loss and production information to determine the indemnity amount for an insured cause of crop loss. Whether a producer has 10 acres or 1000 acres, there is no difference in the kind of information collected. To ensure crop insurance is available to small entities, the Federal Crop Insurance Act (FCIA) authorizes FCIC to waive collection of administrative fees from limited resource farmers. FCIC believes this waiver helps to ensure that small entities are given the same opportunities as large entities to manage their risks with crop insurance. Therefore, FCIC/RMA estimates that 0% of respondents for farms are small businesses or entities and 5% of respondents for insurance agencies are small businesses.

6. CONSEQUENCE IF INFORMATION COLLECTION WERE LESS FREQUENT:

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.

This information collection is mandatory and required to obtain or retain benefits and is an ongoing information collection request. If specific information is not collected by the specified dates, the producer may not have insurance coverage, or the amount of insurance may be reduced. The crop insurance program would not be administered in an actuarially sound manner if specific information (data) were not collected by the established dates. As producers change the crops and where crops are planted each year, less frequent collection of data would jeopardize actuarial soundness, and result in inaccurate premium charges to producers.

If producers and insurance companies did not submit the required data at the specified time, accurate liabilities, premium, and subsidies may not be determined, errors may not be resolved timely, producers may not receive accurate indemnities, payments may be late, and crop insurance may not be actuarially sound as mandated in the Act.

7. SPECIAL CIRCUMSTANCES OF THE INFORMATION COLLECTIONS

Requiring respondents to report information to the agency more often than quarterly;

Insurance companies must submit specific required data to RMA on a daily, weekly, monthly, and annual basis. The information collection activities contained herein are not collected more frequently than quarterly from producers.

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

FCIC does not require the respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

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

The respondents are not required to submit more than an original and two copies.

Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than 3 years;

Although the agency is not imposing any recordkeeping burden on the respondents, insurance companies maintain records longer than 3 years as a normal business practice. Producers normally maintain records for an indeterminate amount of time because of income tax obligations.

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;

No statistical survey is conducted by these collections.

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

No statistical data classification that has not been reviewed and approved by OMB is used.

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

A pledge of confidentiality is not required.

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.

No proprietary trade secrets or other confidential information are requested.

8. Comments to the Federal Register Notice and efforts for consultation.

If applicable, 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. Specifically address comments received on cost and hour burden.

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

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years even if the collection of information activity is the same as in prior years. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

The 60-day notice was published on September 23, 2025, at 90 FR 45718. One comment regarding this notice was received. The comment received in support of the program and no action was taken.

Comment: The core reason the Federal Crop Insurance Corporation (FCIC) is seeking to renew this information collection (OMB Number 0563-0053) is to continue legally collecting the data necessary for running the Federal crop insurance program.

Summary of the Administrative Need for Renewal:

Necessity for Administration: The abstract explicitly states: "The information collection requirements for this renewal package are necessary for administering the Federal crop insurance program."

Data is Programmatic: The data collected (producer applications, acreage, yields, loss notices, and company reports) is what the FCIC uses to perform its fundamental functions: "issue policies; establish and provide insurance coverage; compute liability, premium, subsidies, and losses; indemnify producers."

Legal/Regulatory Requirement: All federal agencies must periodically renew their authority from the Office of Management and Budget (OMB) to continue collecting information from the public, as mandated by the Paperwork Reduction Act. The current approval expires on March 31, 2026, so the renewal is required to prevent a lapse in the legal authority to collect this essential administrative data.

The renewal request is essentially asking for a continued green light to perform the data-intensive administrative tasks needed to keep Multiple Peril Crop Insurance policies in force.

It is vital to continue.

Consultations and submission of comments regarding the administration of the Crop Insurance Act, as amended, are received on an ongoing basis from an insurance service organization and the 13 insurance companies reinsured by FCIC who are under contract with FCIC to sell and service crop insurance. There were no comments from the people outside of the agency when asking about 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.

Chris F., National Crop Insurance Services, 800-951-6247

Brett L., American Farm Bureau Insurance Services, Inc., 931-980-6780

Melissa W., ARMtech Insurance Services, 806-784-3485

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS.

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

A payment or gift is not provided to respondents for providing the information requested for this crop insurance program.

10. Assurances of confidentiality provided to respondents.

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

Respondents' information collected under the Federal Crop Insurance Program (7 CFR Part 457) is protected. The Federal Crop Insurance Act (7 U.S.C. § 1502) prohibits releasing respondents' identifiable information to the public unless the respondent provides consent or the information is combined into summary statistics that do not identify individuals. In addition, the Privacy Act of 1974 (5 U.S.C. § 552a) requires that respondents' information be used for authorized program purposes and disclosed only as required or permitted by law.

The Acting Assistant Privacy Officer, Samantha Jones, reviewed and approved this package on February 26, 2026.

11. Justification for any questions of a sensitive nature.

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. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No questions of a sensitive nature are contained in these data elements.

12. Estimates of the hour burden of the collection of information.

Provide estimates of the hour burden of the collection of information. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.

- A. 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.**

FCIC estimates there are 18,610 respondents for insurance companies and 512,987 producer respondents (farmers) for a total of 531,597 respondents, resulting in 11,361,422 responses with an estimated annual public burden of 8,687,170 hours. See separate spreadsheet for break-out.

- B. Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.**

Cost to Respondents: The estimated total burden cost is \$442,478,186 per year. This renewal was adjusted to add fringe benefits. Prior to the adjustment to add fringe benefits, the cost to respondents was \$337,769,608. The fringe benefit alone added \$104,708,578.

The hourly wage, including fringe benefits, for each respondent was estimated as follows:

45-2011 Agricultural Inspectors	\$35.04
41-3021 Insurance Sales Agent	\$51.034
13-1031 Claims Adjusters, Examiners, and Investigators	\$49.61
13-2053 Insurance Underwriter	\$57.21
11-9013 Farmers, Ranchers, and Other Agricultural Managers	\$61.24
43-9061 Office Clerk-General	\$28.64
13-2011 Accountants and Auditors	\$58.90
15- 1252 Software Developers	\$91.05
Ins. Sales Agent/Farmer and Rancher	\$56.92
Ins. Sales Agent/Ins. Underwriter/Farmer	\$56.60
Ins. Sales Agent/Office Clerk	\$39.99
Ins. Sales Agent/Ins. Underwriter/Office Clerk	\$45.73
Ins. Sales Agent/Office Clerk/Claims Adjusters	\$43.20
Ins. Sales Agent/Ins. Underwriter/Farmer/Ag. Insp.	\$51.21
Ins. Sales Agent/Claims Adjuster	\$50.47
Ins. Sales Agent/Claims Adjuster/Farmer	\$54.06

13. Estimates of other total annual cost burden.

Provide estimates of the total annual cost burden to respondents or recordkeepers resulting from the collection of information, (do not include the cost of any hour burden shown in questions 12 and 14). The cost estimates should be split into two components: (a) a total capital and start-up cost component annualized over its expected useful life; and (b) a total operation and maintenance and purchase of services component.

There are no total capital and start-up cost component (annualized over its expected useful life) associated with this collection.

However, there are ongoing total operation and maintenance and purchase of services components are associated with this collection. AIPs sell and service Federal crop insurance policies in every state through a public-private partnership. FCIC reinsures the AIPs who share the risks associated with catastrophic losses due to major weather events (further explained in questions above). Often, insurance companies cover other insurance such as property casualty and business insurance. Crop insurance is a niche business that requires a separate system. Agents who sell and service the program are often specialized, and those operation, maintenance, and purchase of services are included in this collection.

The insurance companies report that the average yearly expenses are approximately 5 percent of gross premium. The total premium for policies issued under this package for

the 2024 reinsurance year was \$15,856,542,058. The costs of reporting data, processing data, and software programming would equate to \$792,827,103 (5% × 15,856,542,058).

The average yearly expense percent (5%) remains constant in this package and previously approved packages. The overall costs have increased due to the overall crop insurance program premium increasing. FCIC continues to add crop programs and expand county insurance offers. As a result, the gross premium increased in this package.

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

Provide estimates of annualized cost to the Federal government. Provide a description of the method used to estimate cost and any other expense that would not have been incurred without this collection of information.

The information is collected from policyholders by the insurance companies through their representatives and agents. Insurance companies are required to submit specific data to RMA in accordance with Appendix III and the Reinsurance Agreements.

RMA estimates it costs the Federal Government \$9,674,761 annually to directly receive, store, and format the data from the insurance companies that they have collected. Of this amount, \$368,343 is for hardware to receive the information, \$4,372,673 is for maintenance and operations of the hardware, \$3,353,000 is for application, programming, and database loads for RAS/PASS, and \$2,070,776 is for Federal employee salaries, including fringe benefits, to resolve errors and expense reimbursements and loss payments.

These costs are annual costs to manage and operate the Federal crop insurance program. RMA's business support system environment is a fluid environment. Program changes are made to existing regulatory, pilot, and privately developed products as well as adding new pilot and privately developed products every year, for example, Controlled Environment. Legislative changes impact the programs included in this collection. IT hardware, development and maintenance costs will be expended year over year for these programs.

Information obtained from the Office of Personnel Management at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/25Tables/html/RUS.aspx>.

15. Explanation of program changes or adjustments.

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

The current burden inventory is 534,374 estimated annual respondents: 10,622,053 estimated annual responses and 8,067,906 estimated annual burden hours. With this revision the agency is seeking 531,597 estimated annual respondents, 11,361,422 estimated annual responses and 8,687,170 estimated annual burden hours. This reflects a decrease in the number of estimated respondents 2,777, increase in the estimated number

of responses 739,369 and an increase in the number of estimated annual burden hours 619,264 since the last OMB submission.

FCIC reviewed each line item and data element by consulting with RMA subject matter experts and producers to develop response times for new data elements. The public was able to comment on the response times included in the 60-day notice during the comment period.

The burden increased due to deliberate actions by the Federal agency causing a program change which added hours for new pilot programs and privately developed crop insurance programs under section 508(h) of the Act. New data elements were added as a result of the new commodity programs. The decrease in respondents are adjustments, no direct action caused this decrease.

New RMA Pilots	New 508(h) Programs	Terminated programs
Shellfish	Post Application Coverage Endorsement	Actual Revenue History (ARH) Strawberries
Controlled Environment	Florida Citrus Fruit APH	
Fire Insurance Protection - Smoke Index	Pomegranate	
Peak Inventory Pilot Endorsement	Weaned Calves	
	Grapevine	
	Kiwifruit	
	Margin Coverage Option	

The increases in program availability resulted in an overall increase in burden of 619,264 hours.

This renewal was adjusted to add fringe benefits. Prior to the adjustment to add fringe benefits, the cost to respondents was \$337,769,608. The fringe benefit alone increased the cost to respondents to \$104,708,578.

16. Plans for tabulation, and publication and project time schedule.

For collections of information whose results are planned to be published, outline plans for tabulation and publication.

Participation data is used by FCIC to make programmatic recommendations and changes, to determine administrative and operating and premium subsidy expenses of the Corporation, and determine producer guarantees, premium, and any applicable indemnities.

17. Displaying the OMB Approval Expiration Date.

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

RMA does not produce or distribute forms; therefore, there is no request to not display an expiration date on forms. AIPs send required data to FCIC/RMA and The Standard Reinsurance Agreement and the Livestock Price Reinsurance Agreement: 2025 Reinsurance Year is submitted with and is approved under 0563-0069 (expiration date 09/30/2027). Display of the OMB approval and information collection is embedded into the SRA.

18. Exceptions to the certification statement identified in Item 19.

Explain each exception to the certification statement identified in Item 19 of the OMB 83-I" Certification for Paperwork Reduction Act."

This information collection meets the certification requirements of SF-83-I, Item 19.