

Supporting Statement – Part A

Tenure, Ownership, and Transition of Agricultural Land (TOTAL)

OMB No. 0535-0240

This supporting statement requests a three-year approval for the reinstatement of a previously approved Census of Agriculture follow-on survey. The previous approval expired in January 2016. The Tenure, Ownership and Transition of Agricultural Land (TOTAL), like its predecessor, Agricultural Economics and Land Ownership Survey (AELOS), will collect data from both farm operators and farm landlords. TOTAL will use two questionnaires, one for farm operators and one for landlords who do not farm. The combined data series will yield a complete picture of farm expenses and land ownership of American farmland.

Changes from the previous TOTAL survey include: 1) The goal of publishing landlord statistics for the 15 largest agricultural producing States based on value of sales (core States). Previous iterations had 25 core states; 2) Collecting data from all 50 States as opposed to excluding Alaska and Hawaii as in previous surveys. Alaska and Hawaii will be included in published landlord statistics for other States and not individually like what will be published for the 15 largest agricultural producing States based on value of sales. The 15 core States for landlord statistics account for a significant amount of the total value of agricultural products produced in the three-year period of 2020–2022.

Like its predecessor, TOTAL will be conducted as a follow-on survey to the 2022 Census of Agriculture. Both TOTAL questionnaire versions will be mandatory surveys. The TOTAL survey will be conducted in all States.

A. JUSTIFICATION

This docket is being submitted to renew the authority to conduct a mandatory survey, consisting of two parts:

- * Tenure, Ownership and Transition of Agricultural Land (TOTAL), Operator Version; and
- * Tenure, Ownership and Transition of Agricultural Land (TOTAL) Landlord Version.

Approximately every ten years (coinciding with the Census of Agriculture), a survey of farmland ownership and farm operators regarding farm revenues and expenses is conducted. We propose to field TOTAL to address this need. In intervening years, the Agricultural Resource Management Survey Phase 3 (ARMS 3) (OMB # 0535-0275), an economic survey with content similar to the farm operator portion of the decennial survey, is conducted. Accordingly, in this

proposal to field TOTAL, we also propose to suspend ARMS 3 for the 2024 crop year (would have been enumerated in 2025) to minimize respondent burden as well as to remove possible duplication of data. More information about the methodology and what is published from the ARMS 3 can be found in the ICR 0535-0275 on RegInfo.gov.

The Agricultural Resource Management Survey Phase 1 (ARMS 1) (screener survey) and Agricultural Resource Management Survey Phase 2 (ARMS 2) (production practices and chemical use) surveys will still be conducted in 2024.

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.

The primary functions of the National Agricultural Statistics Service (NASS) are to prepare and issue state and national estimates of crop and livestock production, disposition, and prices and to collect information on related environmental and economic factors. The 2024 Tenure, Ownership and Transition of Agricultural Land (TOTAL) survey will obtain data to accurately the economic status of U.S. farm operations and households.

Detailed, farm level, economic data are essential for making informed decisions relating to the farming industry. The TOTAL survey program would collect data from both farm operators as well as landlords who are not farm operators to create a complete picture of farm costs, land ownership, demographic data for farm operators and landlords, and improvements made to farmland and buildings, among other characteristics. The information collected through TOTAL would be an integral part of the 2022 Census of Agriculture program, and is conducted under the authority of the Census of Agriculture Act of 1997 (Public Law 105-113).

Annually, NASS conducts the Agricultural Resource Management Study (ARMS) in three phases. The ARMS 1 is used as a screening form from which the other two phases' samples will be drawn: ARMS 2 (OMB 0535-0218) and ARMS 3 (0535-0275). The ARMS 2 is the Crop Production Practices version that collects data on detailed cropping practices and chemicals used for selected crops. ARMS 3 is the Costs and Returns version.

The TOTAL survey was last conducted in 2015 for the reference period of 2014. Prior to the 2014 survey conducted by NASS, AELOS was conducted by the Census Bureau in 1959, 1964, 1970, 1979, and 1988. NASS conducted the survey in 1999. Funding for the next cycle of TOTAL Data from the TOTAL survey would be used to provide benchmark statistics upon which the Census of Agriculture and data collected by the ARMS 3 survey could be linked.

The combined data from the TOTAL and (prior and subsequent) ARMS 3 surveys will be the primary source of information for the U.S. Department of Agriculture on a broad range of issues related to agricultural resource use, costs of production, and farm sector financial conditions. TOTAL will provide whole farm data for objective evaluation of many critical issues related to agriculture and the rural economy, such as whole farm finance data, marketing information, input usage, production practices, and crop substitution possibilities. This detailed information will be used to set operation-level estimates for types of operations, loan commodities, operator's household income, credit/debt levels, and other economic farm/ranch data.

Data from TOTAL will be used to produce estimates of net farm income by type of commercial producer as required in 7 U.S.C. 7998 and estimates of enterprise production costs as required in 7 U.S.C. 1441(a). Data from this survey are also used as weights in the development of the Prices Paid Index, a component of the Parity Index referred to in the Agricultural Adjustment Act of 1938 and as amended by the Agricultural Acts of 1948, 1949, 1954, and 1956. These indexes are used to calculate the annual federal grazing fee rates as described in the Public Rangelands Improvement Act of 1996 and Executive Order 12,548 and as promulgated in regulations found in Title 36 CFR 222.51.

In addition, TOTAL data will be used to produce estimates of sector-wide production expenditures and other components of income that are used in constructing the estimates of income and value-added that is transmitted to the U.S. Department of Commerce, Bureau of Economic Analysis (BEA), by the USDA Economic Research Service (ERS) for use in constructing economy-wide estimates of Gross Domestic Product. This transmittal of data, prepared using TOTAL (and ARMS), is undertaken to satisfy a 1956 agreement between the Office of Management and Budget and the Departments of Agriculture and Commerce that a single set of estimates be published on farm income.

General authority for these data collection activities is granted under U.S. Code Title 7, Section 2204 which specifies that "The Secretary of Agriculture shall procure and preserve all information concerning agriculture which he can obtain ... by the collection of statistics ... and shall distribute them among agriculturists."

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.

Farm organizations, banks, commodity groups, agribusinesses, Congress, and the USDA use farm economic data collected by NASS to evaluate the financial performance of farm and ranch businesses and households and to make policy decisions affecting agriculture. The TOTAL survey would provide a robust

database of information to address varied needs of policy makers. TOTAL data would be combined with the annual ARMS 3 (0535-0275) data to create a more complete picture of the farm economy. Annually, NASS conducts the ARMS 3 through a cooperative agreement with USDA - Economic Research Service (ERS). ERS would be able to use combined TOTAL and ARMS 3 data in their data series timeline.

A few uses of the information collected from TOTAL and ARMS are listed below.

- The TOTAL and ARMS surveys provide the farm sector portion of the gross domestic product for the nation. The USDA links receipts and expenses associated with the production and sale of agricultural commodities to measure profit or loss over a calendar year. Measures of net farm income are developed. ERS's value-added estimates are used by the Bureau of Economic Analysis (BEA) in the development of the National Income Accounts and for the Gross Domestic Products. If these data were not available, BEA would have to conduct their own survey of farm operators. They are also used by the Organization for Economic Cooperation and Development (OECD) in their international agricultural accounts.
- Congressional mandates exist for the development of annual estimates of the cost of producing wheat, feed grains, cotton, tobacco, and dairy commodities. To ensure accurate and reliable estimates, particularly as these relate to changes in water quality and erosion rates, a comprehensive survey is needed to obtain data on production practices and the amounts of inputs used. Estimates of crop and livestock costs and returns provide a basis for understanding changes in the relative efficiency of crop and livestock production and the break-even prices needed to cover all costs. The combined TOTAL and ARMS surveys will provide the data needed to develop "enterprise" budgets, showing costs and input use by size and type of farm in different regions of the country. An "enterprise" is the portion of an operation's resources devoted to producing a specific commodity.
- Responses to TOTAL and ARMS questions on farm assets and debts will be used to develop a balance sheet for the farm as well as to provide a variety of financial ratios for measuring financial performance. Changes in the level of income earned affect rates of return and net worth. Purchases and sales of assets such as buildings, machinery, and land; changes in their value; and any associated debt are very sensitive to changes in farm earnings and economic performance as well as to changes in the general economy. The balance sheet can change rapidly from one year to the next and can be adequately monitored only through data collected on an on-going basis. Balance

sheet analysis helps identify areas of poor financial performance and pockets of potential financial stress. The combined TOTAL and ARMS surveys will provide the data necessary to develop annual estimates of the farm operation's assets, debts, equity, capital gains, capital flows, the rates of return to agricultural resources and identifies how these items (and farm household finances) change from one year to the next.

The TOTAL and ARMS information on farm expenses describes the relative importance of production inputs used by farmers. These data are used to update the prices paid index for commodities, services, interest, taxes, and wage rates, known as the parity index. This index helps determine the parity price for over 100 agricultural commodities. Parity prices have been a part of farm legislation since 1938, when the Agricultural Adjustment Act established that parity prices be computed for agricultural commodities.

- The TOTAL data can be used to measure energy use in agriculture. Financial data (expenses for diesel, gas, propane, etc.) are converted to BTU's for analysis regarding agricultural energy use and greenhouse gas emissions. The USDA Office of the Chief Economist compiles data from the TOTAL and ARMS for Staff Analysis and Congressional Testimony.

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. Also describe any consideration of using information technology to reduce burden.

Both of the TOTAL questionnaires (operator and landlord) will be available on the internet. All respondents selected to receive either of these questionnaires will be mailed a blank copy of the questionnaire, an instruction sheet, cover letter and instructions on how to access the internet version of the questionnaire. Due to NASS security protocol, only the people who are selected to be in this survey will be able to access this website. The individualized password that is needed to gain entry will be sent out with the cover letter.

Sampled operations that do not respond by mail or internet will be attempted by either phone or by face-to-face enumeration. Phone enumerators will have access to Computer Assisted Telephone Interview (CATI) software. Field enumerators, who will conduct face-to-face interviews, will have access to Computer Assisted Personal Interview (CAPI) software that will be conducted on iPads.

If respondents prefer not to report data by one of our computer devices, the enumerators will have paper questionnaires available to use in the interview.

- 4. 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 Item 2 above.**

NASS is making every attempt to use existing data and only ask additional questions that are needed. Although not as comprehensive as the TOTAL survey, NASS has suspended the ARMS 3 Survey for the 2025 data collection period (referencing 2024 calendar year) to reduce the possibility of unnecessary duplication. Additionally, NASS field offices are asked to document any State information collection projects that overlap with the surveys contained in this docket. When State projects are identified, NASS makes every effort to incorporate the data needs from these projects with the NASS surveys to reduce unnecessary duplication and burden. Currently, no such State projects are underway.

- 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.**

Information requested on these surveys may require respondents to refer to their record books for answers. To minimize the interview time, branching is used throughout the questionnaires to skip those sections not applicable to respondents. Enumerators also attend training schools for instruction and practice on using the questionnaires. Data collection for this survey is coordinated with other surveys to minimize contacts with respondents.

Sampling techniques are applied to minimize burden to individual operations which could potentially be selected in multiple NASS surveys. List frame units selected for current year Crop APS surveys or the previous ARMS 1 are replaced, where possible, by similar sample units whose respondent burden is less. This design reduces the number of consecutive ARMS contacts and multiple contacts for different surveys in the same year.

NASS continues to conduct research on new sampling and data modeling strategies to reduce data requirements and respondent burden. NASS also started looking at the feasibility of using previously reported survey data, where appropriate, to reduce burden.

- 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.**

NASS and ERS are charged with the responsibility of providing the Secretary of Agriculture, the Congress, the Executive Branch, farm groups, financial institutions and the public with reliable, up-to-date information concerning the nation's farms and ranches. The combined TOTAL questionnaires (operator and landlord versions) are the only source of information capable of providing this type of vital information (farm operator and landlord: demographics, rental expenses, rental agreements, rental income, land transactions, etc.). Collecting economic data is critical to the mission of USDA, Congress, other governmental agencies, farm credit industry, banks, farm supply companies, and the private sector. The data collected by TOTAL, combined with the annual ARMS 3 data, are essential for NASS to update the Parity Index for Prices Paid and Prices Received by Farmers so ERS can accurately estimate farm income each year.

Samples of questionnaires, instruction sheets, publicity materials, etc. are attached to this OMB docket submission and are available for public review, through the <http://www.reginfo.gov/public/> website.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with the general information guidelines in 5 CFR 1320.5.

OMB's Statistical Policy Directive 15 (dated March 29, 2024) includes a revised race/ethnicity question that allows respondents to select one or more of seven main race/ethnicity categories as well as to select one or more detailed race/ethnicity categories for each main category selected. Statistical Policy Directive 15 also includes two versions of a "minimum" category question, which allows respondents to select one or more of only the seven main race/ethnicity categories. Agencies are required to request an exemption from OMB, should they wish to use one of the "minimum" category questions.

NASS requests an exemption from using the race/ethnicity question version that includes collecting detailed race/ethnicity information. NASS requests to use the minimum category version that does not include examples for each of the seven main race/ethnicity categories. NASS will provide the race/ethnicity examples in an instruction booklet that is provided to survey participants and in instruction materials provided to interviewers.

The U.S. level results from the previous (2014) TOTAL Survey show that 97 percent non-operating landlords were white. Due to disclosure and reliability concerns, NASS was unable to publish non-operating landlord counts for all other races. The racial breakdown for farm producers (another component of the TOTAL sampling population) is similar. Data from the 2017 and 2022 Censuses of Agriculture show that 94 percent of agricultural producers are white; followed by approximately 2 percent for Native American or Alaska Native; 1 percent each for Asians, or Black or African Americans; and less than 1 percent for Native Hawaiian or Other Pacific Islander. In addition to U.S. level results, the TOTAL

Survey also generates State level results for 25 States. Race/ethnicity data at the State level will be even more sparse for most race/ethnicity categories.

Therefore, collecting detailed race/ethnicity data on the TOTAL Survey is expected to result in many race/ethnicity (detailed) categories being far below 1 percent. Furthermore, because TOTAL samples only a relatively low percentage of the target population, estimates for categories with small shares of the population are expected to have especially high variability. Therefore, such low percentages would have low reliability (i.e., they would have high coefficients of variation) and disclosure concerns. This would inevitably require NASS to conflate the data to the seven main race/ethnicity categories. This would not justify the added respondent burden of including the detailed race/ethnicity categories.

- 8. 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.**

The Notice soliciting comments on this information collection was published in the Federal Register on March 7, 2024 on pages 16524 - 16525. NASS received two comments for this reinstatement. One was from Dr. Dennis Fixler, Chief Statistician for the Bureau of Economic Analysis at the US Dept. of Commerce, in support. The other was from the Rural Coalition in support and provided some suggestions. The comments and our responses are attached to this reinstatement Information Collection Request (ICR).

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

The ARMS briefing room on the ERS Website: <https://www.ers.usda.gov/data-products/arms-farm-financial-and-crop-production-practices/> provides an opportunity for stakeholder feedback regarding data characteristics, use of the information for statistical purposes, and questionnaire content. In 2023, ERS received 54 inquiries from this utility related to the ARMS 3 data; results from these inquiries can be found at <https://www.ers.usda.gov/data-products/arms-farm-financial-and-crop-production-practices/contact-us/>

The Advisory Committee on Agriculture Statistics, appointed by the Secretary of Agriculture, is the principal contact with data users outside the Federal Government. It meets on a regular basis and makes recommendations regarding all areas of the Agency's agriculture statistics programs. The committee advises the agency on current and future data needs, the ability (or willingness) of

respondents to supply the information requested, general data collection methods, content and format of census, and other survey report forms.

NASS Regional Field Offices and State Statisticians meet with grower associations and their members to see what changes are needed to keep questionnaires current.

Also, internal committees within USDA (including NASS, Economic Research Service (ERS), Agricultural Marketing Service (AMS), Agricultural Research Service (ARS), National Institute of Food and Agriculture (NIFA), and Natural Resource and Conservation Service (NRCS)) have been formed to inquire about what data are needed by these organizations to better inform them of changes with American farmers and to coordinate data collection efforts.

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

There are no payments or gifts to respondents.

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

Questionnaires include a statement that individual reports are confidential. U.S. Code Title 18, Section 1905; U.S. Code Title 7, Section 2276; and Title III of Pub. L. No. 115-435 (CIPSEA) provide for confidentiality of reported information. All employees of NASS and all enumerators hired and supervised under a cooperative agreement with the National Association of State Departments of Agriculture (NASDA) must read the regulations and sign a statement of compliance.

The following confidentiality pledge statement will appear on all NASS questionnaires.

The information you provide will be used for statistical purposes only. Your responses will be kept confidential and any person who willfully discloses ANY identifiable information about you or your operation is subject to a jail term, a fine, or both. This survey is conducted in accordance with the Confidential Information Protection and Statistical Efficiency Act of 2018, Title III of Pub. L. No. 115-435, codified in 44 U.S.C. Ch. 35 and other applicable Federal laws. For more information on how we protect your information please visit: <https://www.nass.usda.gov/confidentiality>. Response to this survey is voluntary.

11. Provide additional justification for any questions of a sensitive nature.

The question on total household income is a collapse of the stratum breaks used on the approved Agricultural Resource Management Survey, OMB Control #0535-0275.

- 12. Provide estimates of the hour burden of the collection of information. The statement should 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. Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.**

The reinstatement has a sample size of 89,600, a total number of 454,510 contacts or responses and a total of 115,055 burden hours.

Average minutes per response for the surveys included in this Information Collection Request are based on the amount of data asked on both questionnaire versions and the time needed for respondents to find and report the data. Total hours of burden is shown in the tables below.

Cost to the public of completing a questionnaire is assumed to be comparable to the hourly rate of those requesting the data. Reporting time of 115,055 hours is multiplied by \$42.75 per hour for a total cost to the public of \$4,918,601.30.

NASS uses the Bureau of Labor Statistics' [Occupational Employment Statistics](#) (most recently published on April 3, 2024 for the previous May) to estimate an hourly wage for the burden cost. The May 2023 mean wage for bookkeepers was \$23.84. The mean wage for farm managers was \$43.35. The mean wage for farm supervisors was \$29.23. The mean wage of the three is \$32.14. To calculate the fully loaded wage rate (includes allowances for Social Security, insurance, etc.) NASS will add 33% for a total of \$42.75 per hour.

Estimate of Respondent Burden

Survey	Sample Size	Freq		
			Resp. Count	

- 13. Provide an estimate of the total annual cost burden to respondents or record-keepers resulting from the collection of information.**

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

- 14. Provide estimates of annualized cost to the Federal government; provide a description of the method used to estimate cost which should include quantification of hours, operational expenses, and any other expense that would not have been incurred without this collection of information.**

The projected total cost to the Federal government to develop, conduct, summarize and set estimates from the TOTAL surveys is \$4.5 million. This amount will be spread out over Fiscal Years 2024 and 2025 with the majority of this going towards staff costs.

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

This is a reinstatement of a previously approved data collection. The total respondent burden will be 115,055 hours. The target population will be approximately 45,600 farm operators and 44,000 landlords with a total number of contacts or responses at 454,510.

16. **For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

This table is a summary of data collection, analysis, and publication dates.

Key TOTAL Survey Data
Activity
Survey Specifications Developed
Development of Landlord Sampling Frame

Examples of the questionnaires and other documents are attached to this submission in the ROCIS system.

Printed copies of our Quick Stats are available from NASS Publications Office by telephone (customer service at 1-800-727-9540). Electronic access is available from the NASS Internet Web-site <http://www.nass.usda.gov>.

NASS has begun to publish Methodology and Data Quality Measure reports for the public to have and use. The reports that have been completed thus far can be found at the following link:

http://www.nass.usda.gov/Publications/Methodology_and_Data_Quality/index.asp

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.**

No approval is requested for non-display of the expiration date.

- 18. Explain each exception to the certification statement identified in Item 19, “Certification for Paperwork Reduction Act Submissions” of OMB Form 83-I.**

There are no exceptions to the certification statement.

September, 2024