SUPPORTING STATEMENT - PART A for

OMB Control Number 0560-0234:

Farm Loan Programs – Inventory Property Management

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7 CFR Parts 767

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A1. 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 Farm Service Agency (FSA) requests a revision of a currently approved information collection for the Inventory Property Management program. Farm Loan Program (FLP) in Farm Service Agency (FSA) provides supervised credit in the form of loans to family farmers to purchase real estate and equipment and finance agricultural production. The regulation covered by the information collection request describes the policies and procedures FSA uses to:

- Manage and dispose of its inventory property in accordance with the provisions of the Consolidated Farm and Rural Development Act (CONACT), as amended (Pub L. 87-128).

- Manage and dispose of property taken into custody after abandonment by the borrower.

This document supports the information collection requirements of 7 CFR 767 as outlined in FSA Handbook 5-FLP, used by federal staff.

Authority to establish the regulatory requirements contained in 7 CFR 767 is provided under section 302 of the CONACT (7 U.S.C. 1922) which provides that "the Secretary may make and insure loans under this subtitle to farmers …" The section 339 of the CONACT (7 U.S.C. 1989) further provides that "the Secretary is authorized to make such rules and regulations, prescribe the terms and conditions for making or insuring loans, security instruments and agreements, except as otherwise specified herein, and to make such delegations of authority as he deems necessary to carry out this title." The Secretary delegated authority to administer the provisions of CONACT applicable to FLP to the Under Secretary for Farm Production and Conservation (FPAC) in section 2.16 of 7 CFR part 2. FPAC further delegated this authority to the FSA Administrator in section 2.42 of 7 CFR part 2.

A2. Purpose and Use of the Information.

Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate how the agency has actually used the information received from the current collection.

The affected public for this information collection includes individuals or households, business or other for-profit. Information collections are submitted by applicants to the local agency office serving the county in which their business is headquartered. The information is necessary to thoroughly evaluate an applicant's request to purchase or lease inventory property. FSA uses the information to determine an applicant's eligibility and to ensure payment of the lease or purchase amount.

FSA may take title to real estate as part of dealing with a problem loan either by Agency or third-party foreclosure, or by accepting a deed of conveyance in lieu of foreclosure. Once FSA has title to a property, the Agency is required to dispose of acquired property through sale or, under certain circumstances, lease the property to an eligible applicant.

The information collection requirements established in 7 CFR 767 are described below and on the attached Reporting and Recordkeeping Requirements spreadsheet.

<u>Submitted by Individuals</u>
<u>Forms:</u>

- **FSA-2592, Invitation, Bid and Acceptance Sale of Real Property by the United States**
  7 CFR 767.151 (d)

  This form is used by FSA to solicit sealed or public bids for the sale of FSA inventory real property.

  It serves three core purposes:
  - Invitation for Bids – FSA announces the availability of a specific real property for sale and provides the terms, conditions, and instructions for bidding.
  - Bid Submission – Interested bidders use the form to submit their official bid, deposit, and payment terms.
  - Government Acceptance – FSA uses the acceptance section to formally approve and execute the winning bid, completing the sale process.

  FSA estimates that 50 individuals respondents will submit this form annually. The Agency estimates that completion of this form requires approximately 30 minutes (0.50 hours) per response.

- **<u>FSA-2593, Standard Sales Contract of Real Property by the United States</u>**
  <u>7 CFR 767.153 (c)</u>

  This form is used by FSA to set the terms and conditions for selling its inventory property. FSA completes the form and the purchaser reviews and executes it.

  It serves three core purposes:
  - To create the official sales contract between the United States (FSA) and the purchaser.
  - To document the property, purchase price, financing terms, earnest money, taxes, and all contractual conditions.
  - To obtain signatures and legally finalize the sale transaction.

  FSA estimates that 50 individuals respondents will submit this form annually. The Agency estimates that completion of this form requires approximately 60 minutes (1.00 hour) per response.

- **<u>Non-forms: Reclaiming Personal Property – Borrower</u>**
  <u>7 CFR 767.52 (b)</u>

  A borrower who previously owned property that has been taken into FSA inventory may request the return of personal property left on the premises after the real estate becomes FSA inventory. This regulation allows former owners to reclaim items such as equipment, tools, livestock, household goods, or other personal possessions that do not convey with the land.

This action does not require the use of a formal USDA form and is therefore classified as a non-form information collection. The burden consists of the borrower preparing and submitting a written request to FSA identifying the personal property to be reclaimed and providing any necessary information for FSA to verify ownership.

FSA estimates that 13 individual borrower respondents will request to reclaim personal property each year. Each borrower submits one response annually, and each response requires approximately 15 minutes (0.25 hours) to complete.

- **Negotiated Sale of Inventory Property**
  7 CFR 767.151 (e)

  FSA may conduct a negotiated sale of inventory real estate when competitive bidding is not practical or does not produce an acceptable bid. In these circumstances, prospective purchasers may submit information directly to FSA to negotiate the terms of a sale.

  This activity does not use an official USDA form and is therefore treated as a non-form information collection. The burden represents the time required for a prospective purchaser to prepare and submit the necessary information for FSA to evaluate a negotiated sale, such as an offer amount, proposed payment terms, and basic purchaser details.

  FSA estimates that 50 farmer or business respondents will engage in a negotiated sale request each year. Each respondent submits one response annually, and each submission requires approximately 30 minutes (0.50 hours) to complete.

- **Termination of Sales Contract**
  7 CFR 767.153 (e)

  FSA may terminate a real estate sales contract when a purchaser fails to comply with its terms. Termination may occur due to failure to close, failure to provide required financing documentation, or other non-performance under the conditions of the Standard Sales Contract (FSA-2593). When such situations arise, the purchaser must provide FSA with information related to the termination, including written acknowledgment of non-performance or correspondence necessary for FSA to document the contract's cancellation.

  This requirement does not use a formal USDA form and is therefore classified as a non-form information collection. The burden reflects the time needed for a purchaser (typically a farmer or farm entity) to prepare a written response or communication to FSA as part of the contract termination process.

  FSA estimates that 13 respondents will be involved in termination-related submissions each year. Each respondent provides one response annually, requiring approximately 15 minutes

(0.25 hours) to complete

- **<u>Sale of chattel by sealed bid</u>**
  <u>7 CFR 767.155</u>

  FSA may sell chattel property, such as equipment, machinery, livestock, or other movable personal property, through a sealed-bid process when such property becomes part of FSA inventory. This process requires interested purchasers to submit an offer to FSA in writing. The Agency reviews the bids to determine the highest acceptable offer in accordance with program regulations.

  Because no specific USDA form is required, this requirement is treated as a non-form information collection. The burden reflects the time needed for a prospective purchaser to prepare and submit a sealed bid containing the offer amount and any required identifying information.

  FSA estimates that 13 respondents will participate annually in sealed-bid chattel sales. Each respondent submits one response per year, and the average time to prepare the sealed bid is 15 minutes (0.25 hours).

<u>Submitted by Business</u>

- **<u>Reclaiming Personal Property – Lienholder</u>**
  <u>7 CFR 767.52 (b)</u>

  Lienholders who have a valid security interest in personal property located on FSA-owned inventory real estate may request the return of that property. This process allows a lienholder (typically a business, such as a financial institution or equipment lender) to notify FSA and reclaim secured personal property after a borrower’s loan default and the transfer of the real estate into FSA inventory.

  This requirement does not use a formal USDA form; therefore, it is categorized as a non-form information collection. The burden consists of the time needed for the lienholder to prepare and submit a written request identifying the personal property and providing documentation supporting their lien interest.

  FSA estimates that 13 business respondents will request to reclaim personal property each year. Each respondent submits one response annually, taking approximately 15 minutes (0.25 hours) to complete.

A3. Use of information technology and burden reduction.

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.

FSA makes every effort to comply with the E-Government Act, 2002 (E-Gov) and to provide for alternative submission of information collections. Information collections obtained using agency forms may be submitted electronically provided the borrower has obtained and activated a USDA account with Level 2 access that allows for electronic submissions. All forms that the borrower has to complete in their entirety, or review and execute, are posted on the e-Gov website at http://www.sc.egov.usda.gov. For forms the borrower is required to complete in their entirety, the fillable version of the form, as well as detailed instructions on completing the form, are included on the e-Gov website. Forms prepared by the agency, that the public simply reviews and signs, are also provided on the e-Gov website. However, in lieu of detailed instructions for completing those forms, the instructions simply state that the forms are provided on the website for information purposes only.

Non-form information collections require providing copies of documents in the borrower's possession or providing written replies to agency requests or offers. Non-form collections, as well as all agency forms, may be submitted in person at the local agency office, by mail, or by facsimile. Further, borrowers with established Level 2 accounts may provide non-form information collections as any kind of non-executable attachments, such as PDF, doc, xls, or text formats. The agency anticipates 15% of responses to be submitted electronically for individuals and 75% for businesses.

A4. 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 need. FSA solely manages issuance for the Inventory Property Management 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. The burden established in this regulation is required under CONACT provisions that mandates specific actions be taken when servicing loans to direct FLP borrowers. The personnel with expertise in servicing loans, continually review the information collections required under the CFR part to eliminate any duplicative or unnecessary collections of information. The information contained in this collection is made part of the case file and, when reasonably current, may be used in lieu of re-submission by the borrower. However, financial information that is collected at another time may be outdated and not useful for the specific action being considered. Various program areas within FSA share data; however, information collections established in this regulation would typically not be available from another agency. Therefore, the potential to share data is limited.

A5. 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.

FSA has made every effort to minimize burden on small businesses and small entities. FSA only requires collection of information when necessary to act on an applicant or borrower's request for assistance. The information required by this regulation is financial in nature and similar to that required to complete Federal tax returns or make business decisions. There is no additional burden on small businesses above that required in the normal course of business. The information requested is the minimum amount required to meet program requirements. There are about 13 small businesses or entities.

A6. Consequences of collecting the information less frequently.

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 collection is voluntary and is an ongoing information collection request. The collection of information is necessary for the agency to implement its authorizing legislation. This collection is required only when respondents voluntarily participate in inventory property sales or reclamation actions. However, once a respondent chooses to engage in these transactions, the associated information cannot be collected less frequently because it is needed to complete the specific action requested. Failure to collect the information would result in the agency not complying with congressional mandates.

A7. Special circumstances relating to the Guidelines of 5 CFR 1320.5.

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 than quarterly;**
  There are no information collection requirements that require reporting on more than a quarterly basis.
- **Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
  There are no information collection requirements that require written responses in less than 30 days.
- **Requiring respondents to submit more than an original and two copies of any document;**
  There are no information collection requirements that require more than an original document or a single copy of a document.
- **Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
  There are no such requirements.
- **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;**
  There are no such requirements.
- **Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
  There are no such requirements.

- **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**
  There are no such requirements.
- **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.**
  There are no such requirements.

A8. 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.

A 60-day notice for public comment was published in the Federal Register on April 13, 2026, at 91 FR 18813. No comments were received in the Docket ID FSA–2026-0199.
The agency consulted with 3 individuals outside the agency regarding the availability of data, frequency of collection, clarity of instructions, and the reporting and recordkeeping requirements. No comments or suggested revisions were received during these consultations:

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A9. Explain any decisions 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.

There is no payment or gift to respondents.

A10. 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.

FSA assures respondents that their information is protected through the Privacy Act and the Freedom of Information Act, and each collection instrument includes a Privacy Act statement explaining the conditions under which information may be disclosed. These protections are further supported by the FSA System of Records published in the Federal Register and by agency policies outlined in handbooks 2-INFO and 3-INFO. This includes the Applicant/Borrower, USDA/FSA-14 SORN, published on March 22, 2019 at 84 FR 10775. Together, these authorities ensure that respondent information is handled securely and only shared when legally authorized.

The information collection package was reviewed and approved for Privacy Act compliance by the FPAC Assistant Privacy Officer, Samantha Jones on June 12, 2026.

A11. 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.

The information collected is of a financial nature. As a condition for the receipt of program benefits, respondents must provide total disclosure of income data and a history of their business dealings that is often considered sensitive. The information is required to properly document FSA's decision pertaining to inventory property disposal actions.

A12. 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.

The estimate of hour burden of the information collections is as follows:

Total Number of Unduplicated Respondents…………………………202.
Individuals/Households: 189
Businesses: 13

Reports Filed Per Person……………………………………………...1.

Total Annual Responses………………………………………………202.

Total Annual Burden Hours…………………………………………..113.

Estimated hours per response………………………………………0.5594059 hours.

There is no third-party disclosure burden associated with this information collection request.

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

The estimate of annual cost for the information collections is as follows:

Respondent's Cost Per Hour:
Purchasers – $69.17
Lienholders – $62.79

Total Annual Respondent Cost:
Purchasers (110 burden hours – 189 farmer) – $7,591.63
Lienholders (3 burden hours – 13 business) – $188.37
Total $7,780.00

Respondent cost per hour of $55.38 (used 75 percentile) was derived by using U.S. Bureau of Labor Statistics Occupational Employment and Wages, May 2024, 11-9013 Farmers, Ranchers, and Other Agricultural Managers. Fringe benefits for all private industry workers are an additional 29.9 percent, or $13.79, resulting in a total of $69.17 per hour.

Respondent cost per hour of $49.00 (used 75 percentile) for lienholders most closely represents those for businesses and was derived by using U.S. Bureau of Labor Statistics Occupational Employment and Wages, May 2024, Table 13-2072-Loan Officers. Fringe benefits for all private industry workers are an additional 29.9 percent, or $13.79, resulting in a total of $62.79 per hour.

A13. 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.

The regulation and associated information collection places no burden cost on respondents for capital, start-up, total operation, maintenance, or the purchase of services.

A14. 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 estimated annual cost to the Federal Government is $1,930.40 (40 X $48.26).

FSA re-evaluated the Inventory Property Management program during this renewal and determined that prior federal hour estimates were significantly overstated. Earlier submissions used broad workload assumptions that did not reflect the actual number of inventory property actions processed each year. Because the number of inventory properties has declined and far fewer cases now require staff review, the Agency revised the estimate to reflect the true, current workload. As a result, the updated annual federal burden is substantially lower and now more accurately represents the time required to review and process these information collections.

The employees review information provided by applicants, borrowers, and third parties and make feasibility determinations. FSA estimates that its employees spend 40 hours reviewing and processing the collections included in this docket.

Averaging the GS-9 through GS-12 (2026 RUS-Salary Table) salaries indicate an average employee salary of $75,303 per year. Standard adjustments recommended by FSA’s Budget Division of 33.3% are added for benefits and miscellaneous expenses ($23,076), for a total average cost for a Farm Loan Program employee salary of $100,379 per year, which divided by 2080 hours equals an hourly salary of $48.26.

Note: FSA utilized the most recent County Office Workload Report to estimate the costs to the Federal Government.

A15. 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.

This is a revision of a currently approved information collection request. The current burden inventory is 160 estimated annual respondents and 90 estimated annual burden hours. With this revision the agency is seeking 202 estimated annual respondents and 113 estimated annual burden hours. This reflects an increase of number of estimated respondents by 42 and an increase in the number of estimated annual burden hours 23 hours since the last OMB submission. These changes are due to agency adjustments. Although the total number of inventory properties on hand decreased by 20.45 percent from the last collection, the increase in responses and burden hours is due to a higher estimated number of inventory properties expected to be sold annually. This estimate has been revised upward because sales of inventory properties have resumed and due to the anticipated rate at which new properties are acquired by FSA.

The current total number of inventory properties is 132. After excluding the 75 inventory properties located in Puerto Rico, 30 inventory properties remain. When considering the 30 properties and 20 projected sales in Puerto Rico, the total projected number of properties involved is 50. The estimated number of respondents was based on this sales projection.

A16. 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.

The information collections required under this regulation will not be tabulated or published.

A17. 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.

The OMB number and expiration date are displayed on the forms.

A18. 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."

FSA is able to certify compliances with all provisions.