

2009 SUPPORTING STATEMENT
7 CFR Parts 944, 980 and 999
Specified Commodities Imported into the United States
Exempt from Import Regulations
OMB No. 0581-NEW

A. Justification

1. EXPLAIN THE CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY. IDENTIFY ANY LEGAL OR ADMINISTRATIVE REQUIREMENTS THAT NECESSITATE THE COLLECTION.

Under Section 608(e) of the Agricultural Marketing Agreement Act of 1937 (Act), certain imported fruit, vegetable, and specialty crop commodities must meet the same quality standards applied to domestically-produced commodities when regulated by Federal marketing orders. The Department of Agriculture (USDA) utilizes this information collection requirement because the North American Free Trade Agreement (NAFTA) provides that imported products destined for processing or other exempt outlets must be given no less favorable treatment than that afforded to domestic products. Domestic Federal marketing orders currently in effect impact imported commodities including: Avocados; dates; hazelnuts; grapefruit; table grapes; kiwifruit; olives (other than Spanish-style olives); onions; oranges; dried prunes (suspended); fresh prunes (suspended); Irish potatoes; tomatoes; and walnuts. However, these products are exempt from established grade, size, quality, and maturity requirements if they are to be used for processing or for other specified exempt purposes. To be consistent with the requirements of NAFTA, similar exemptions are provided for imported products. No person may import products for processing or other exempt

purposes unless the shipment is accompanied by an executed Importer's Exempt Commodity Form (FV-6). Import regulations apply only during those periods when the domestic marketing order regulations are in effect.

The import regulations under 7 CFR part 944.350 (Fruits; import regulations); 7 CFR part 980.501 (Vegetables; import regulations); and 7 CFR part 999.500 (Specialty crops; import regulations), require importers and receivers to submit reports. When required to do so under the import regulations, an importer wishing to import commodities for exempt purposes completes either the FV-6 form, "Importer's Exempt Commodity Form" prior to importation. In August 2008, the web-based application, "Marketing Order Online System (MOLS) was launched allowing fruit, vegetable and specialty crop shippers and receivers to submit, review and search for FV-6 certificates online. The MOLS was developed to help USDA manage the incoming FV-6 forms as well as help importers reduce paperwork, streamline operations and allow the most efficient clearance through U.S. Customs and Border Protection. The FV-6 and MOLS are currently approved by the Office of Management and Budget under OMB No. 0581-0167, Specified Commodities Imported into the United States Exempt from Import Requirements."

AMS offered MOLS to a test group of importers and receivers in November 2008. In January 2009, AMS opened the online system to all shippers and receivers. Although the MOLS is the recommended form of the FV-6 submission, paper copies are occasionally used by those respondents who cannot access the system.

AMS has developed a customer satisfaction survey, Form FV-660, to gather specific information from approximately 200 respondents currently utilizing the MOLS. The survey will collect information on a voluntary basis, and the identities will be kept confidential. Results of the survey will allow AMS to better serve the fruit, vegetable and specialty crop importing and handling community. This survey is being submitted to OMB under OMB No. 0581-NEW. Upon approval, we request that the burden be merged into OMB No. 0581-0167.

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.

As previously mentioned, AMS has developed a customer satisfaction survey, or the MOLS Survey, Form FV-660, to gather specific information from approximately 200 respondents utilizing the online system. The 200 respondents were selected because they are currently registered under the MOLS. The information will be collected on a voluntary basis, and the identities will be kept confidential. Results of the survey will allow AMS better serve the fruit, vegetable and specialty crop importing and handling community.

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.

The MOLS survey would be distributed to the current users electronically, via e-mail and will be open for one to two months. The Compliance Team will use Excel to analyze the responses. The survey would also be collected via e-mail to the following e-mail addresses: Nicole.nelson@ams.usda.gov or to Gregory.breasher@ams.usda.gov.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION. SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSE(S) DESCRIBED IN ITEM 2 ABOVE.

The purpose of the MOLS survey is to gather information regarding customer satisfaction to the MOLS. AMS has not conducted any comprehensive user satisfaction survey relating to the MOLS to date. Results of the survey will allow AMS to better serve the fruit, vegetable and specialty crop importing and handling community. At the present time, there are no duplications between Federal agencies, as MOAB collects and cooperates with various agencies, such as the U.S. Customs Service and Border Protection, and Fresh Products and Processed Products Branches of the Fruit and Vegetable Programs, which avoids duplicate requests for information.

5. IF THE COLLECTION OF INFORMATION IMPACTS SMALL BUSINESSES OR OTHER SMALL ENTITIES (ITEM 5 OF THE OMB FORM 83-1), DESCRIBE THE METHODS USED TO MINIMIZE BURDEN.

Of the 200 respondents involved in this information collection, approximately 80 percent of these respondents can be classified as small entities. The survey requires only a minimal amount of information which can be supplied without data processing equipment or a trained statistical staff. The primary

sources of data used to complete the survey are routinely used in all business transactions. Thus, the information collection and reporting burden is relatively small, and requesting the same reporting requirements for all importers and receivers does not significantly disadvantage any importer or receiver that is smaller than industry average.

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.

The purpose of the MOLS survey is to obtain feedback from importers and receivers relating to customer satisfaction to the online MOLS system. Results of the survey would allow AMS to better serve the fruit, vegetable and specialty crop importing and handling community, and would also identify areas in which AMS can improve the online MOLS system. The online system has been active less than one year, and if the survey were not conducted, AMS would not be able to identify areas which may need improvement, nor feedback on customer satisfaction. Future surveys will only be conducted when significant changes are made to the MOLS.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES THAT WOULD CAUSE AN INFORMATION COLLECTION TO BE CONDUCTED IN A MANNER:

- **REQUIRING RESPONDENTS TO REPORT INFORMATION TO THE AGENCY MORE OFTEN THAN QUARTERLY;**
- **REQUIRING 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;

- **REQUIRING RESPONDENTS TO RETAIN RECORDS, OTHER THAN HEALTH, MEDICAL, GOVERNMENT CONTRACT, GRANT-IN-AID, OR TAX RECORDS FOR MORE THAN 3 YEARS;**
- **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;**
- **REQUIRING THE USE OF A STATISTICAL DATA CLASSIFICATION THAT HAS NOT BEEN REVIEWED AND APPROVED BY OMB;**
- **THAT INCLUDES A PLEDGE OF CONFIDENTIALITY THAT IS NOT SUPPORTED BY AUTHORITY ESTABLISHED IN STATUE 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**
- **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.**

Respondents will be requested to complete and return the survey within 30 days of receipt, in order for the Compliance Team to review and tabulate the results by November 1, 2009. The frequency of responses filed depends on the number of importers and receivers providing feedback. The survey would only be used for the 200 respondents, once approved. However, there is a possibility that the survey would be used in the future, if the need arises.

- 8. 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.

The 60-day notice was published in the Federal Register on September 9, 2009, Volume 74, Number 173, Page 46408. No comments were received.

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 PERIODS. THERE MAY BE CIRCUMSTANCES THAT MAY PRECLUDE CONSULTATION IN A SPECIFIC SITUATION. THESE CIRCUMSTANCES SHOULD BE EXPLAINED.

The Marketing Order Administration Branch’s Compliance Team, which administers and provides oversight for Section 8e imported commodities, will notify the respondents via e-mail about the upcoming survey approximately three to four weeks prior to e-mailing the survey. Further, a cover letter will accompany the survey explaining its purpose and importance.

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEEES.

No payments or gifts are provided to respondents.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO

RESPONDENTS AND THE BASIS FOR THE ASSURANCE IN STATUTE, REGULATION, OR AGENCY POLICY.

Section 608(d) of the Agricultural Marketing Agreement Act provides that information acquired will be kept confidential, and that penalties exist for violating confidentiality requirements.

- 11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE, SUCH AS SEXUAL BEHAVIOR AND 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 last portion of the survey allows respondents to input personal information, such as age group, level of education, etc., if they desire. The information will allow the Compliance Team to better understand who their audience is and will be only used in-house and will be kept confidential.

- 12. PROVIDE ESTIMATES OF THE HOUR BURDEN OF THE COLLECTION OF INFORMATION.**

THE STATEMENT SHOULD:

- S INDICATE THE NUMBER OF RESPONDENTS, FREQUENCY OF RESPONSE, ANNUAL HOUR BURDEN, AND AN EXPLANATION OF HOW THE BURDEN WAS ESTIMATED. UNLESS DIRECTED TO DO SO, AGENCIES SHOULD NOT CONDUCT SPECIAL SURVEYS TO OBTAIN INFORMATION ON WHICH TO BASE HOUR BURDEN ESTIMATES. CONSULTATION WITH A SAMPLE (FEWER THAN 10) OF POTENTIAL RESPONDENTS IS DESIRABLE. IF THE HOUR BURDEN ON RESPONDENTS IS EXPECTED TO VARY WIDELY BECAUSE OF DIFFERENCE IN ACTIVITY, SIZE, OR COMPLEXITY, SHOW THE RANGE OF ESTIMATED HOUR BURDEN, AND EXPLAIN THE REASONS**

FOR THE VARIANCE.

- S 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.**

- S PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOUR BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES.**

The estimated number of respondents is 200, consisting of primarily importers and receivers, would respond once with an estimated burden time of 7 minutes per response, for a total burden of 23.28 hours. Although this collection of information is voluntary, it is not known whether all 200 respondents would return the completed survey. The estimate of the burden of collection information has been summarized on AMS Form 71, enclosed.

The respondents' estimated annual cost in providing information to MOAB is approximately \$649.75. This total has been estimated by multiplying 23 burden hours by \$28.25, the average mean hourly earnings of purchasing agents and buyers, farm products. Data for computation of this hourly wage were obtained from the U.S. Department of Labor Statistics' May 2008 National Occupational Employment and Wage Estimates, United States," modified May 12, 2009. This document can be found at the following website:

http://www.bls.gov/oes/current/oes_nat.htm#b00-0000

13. PROVIDE AN ESTIMATE 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 ITEMS 12 AND 14).

S THE COST ESTIMATE 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 ESTIMATES SHOULD TAKE INTO ACCOUNT COSTS ASSOCIATED WITH GENERATING, MAINTAINING, AND DISCLOSING OR PROVIDING THE INFORMATION. INCLUDE DESCRIPTIONS OF METHODS USED TO ESTIMATE MAJOR COST FACTORS INCLUDING SYSTEM AND TECHNOLOGY ACQUISITION, EXPECTED USEFUL LIFE OF CAPITAL EQUIPMENT, THE DISCOUNT RATE(S), AND THE TIME PERIOD OVER WHICH COSTS WILL BE INCURRED. CAPITAL AND START-UP COSTS INCLUDE, AMONG OTHER ITEMS, PREPARATIONS FOR COLLECTING INFORMATION SUCH AS PURCHASING COMPUTERS AND SOFTWARE; MONITORING, SAMPLING, DRILLING AND TESTING EQUIPMENT; AND RECORD STORAGE FACILITIES.

S IF COST ESTIMATES ARE EXPECTED TO VARY WIDELY, AGENCIES SHOULD PRESENT RANGES OF COST BURDENS AND EXPLAIN THE REASONS FOR THE VARIANCE. THE COST OF PURCHASING OR CONTRACTING OUT INFORMATION COLLECTION SERVICES SHOULD BE A PART OF THIS COST BURDEN ESTIMATE. IN DEVELOPING COST BURDEN ESTIMATES, AGENCIES MAY CONSULT WITH A SAMPLE OF RESPONDENTS (FEWER THAN 10), UTILIZE THE 60-DAY PRE-OMB SUBMISSION PUBLIC COMMENT PROCESS AND USE EXISTING ECONOMIC OR REGULATORY IMPACT ANALYSIS ASSOCIATED WITH THE RULEMAKING CONTAINING THE INFORMATION COLLECTION, AS APPROPRIATE.

S GENERALLY, ESTIMATES SHOULD NOT INCLUDE PURCHASES OF EQUIPMENT OR SERVICES, OR PORTIONS THEREOF, MADE: (1) PRIOR TO OCTOBER 1, 1995, (2) TO ACHIEVE REGULATORY COMPLIANCE WITH

REQUIREMENTS NOT ASSOCIATED WITH THE INFORMATION COLLECTION, (3) FOR REASONS OTHER THAN TO PROVIDE INFORMATION OR KEEPING RECORDS FOR THE GOVERNMENT, OR (4) AS PART OF CUSTOMARY AND USUAL BUSINESS OR PRIVATE PRACTICES.

There is no capital, startup, operation, or maintenance costs associated with this program.

- 14. PROVIDE ESTIMATES OF ANNUALIZED COST TO THE FEDERAL GOVERNMENT. ALSO, PROVIDE A DESCRIPTION OF THE METHOD USED TO ESTIMATE COST, WHICH SHOULD INCLUDE QUANTIFICATION OF HOURS, OPERATION EXPENSES (SUCH AS EQUIPMENT, OVERHEAD, PRINTING, AND SUPPORT STAFF), AND ANY OTHER EXPENSE THAT WOULD NOT HAVE BEEN INCURRED WITHOUT THIS COLLECTION OF INFORMATION. AGENCIES ALSO MAY AGGREGATE COST ESTIMATES FROM ITEMS 12, 13, AND 14 IN A SINGLE TABLE.**

The Federal government's estimated cost in providing oversight involving the MOLS survey to importers and receivers of exempt commodities totals approximately \$7,370.00. Below is a breakdown of this cost:

Labor:

5% of 2 GS-12 Marketing Specialists' salaries (\$73,100 x .05 = \$3,655) x 2 =	\$7,310.00
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Technology:

Online Form Development and Maintenance (3 months @ \$20/month)	<u>+60.00</u>
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Total	\$7,370.00
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15. EXPLAIN THE REASON FOR ANY PROGRAM CHANGES OR DJUSTMENTS REPORTED IN ITEMS 13 OR 14 OF THE OMB FORM 83-1.

This is a new information collection.

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.

There are no plans to publish any information or data collections.

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.

The Agency requests approval not to display the expiration for OMB approval of the information collection, because the survey is used as a tool to improve the administration of the Section 8e program. These compliance efforts are ongoing, and an expiration date would create confusion to respondents thinking the survey is good for the length of time noted in the expiration date.

18. EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19, "CERTIFICATION FOR PAPERWORK REDUCTION ACT SUBMISSIONS," OF OMB FORM 83-1.

The agency is able to certify compliance with all provisions under Item 19 of OMB form 83-1.