

The program would be administered by a Board appointed by the Secretary of Agriculture and financed by assessments on certified producers, certified handlers, and importers of organic products. The Agricultural Marketing Service would provide oversight to ensure: (1) funds are collected and properly accounted for; (2) expenditures of all funds are for the purposes authorized by the enabling legislation; and (3) the Board's administration of the program conforms to USDA policy.

Section 515(i) of the 1996 Act provides authority to request from persons covered under the order any information required to carry out the responsibilities of the program. Each appointed Board is responsible for collecting assessments from the affected persons covered under the program in order to carry out the Board's responsibility. These programs require the use of the forms described in item 2 below.

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 proposed Organic Research, Promotion and Information Order (proposed Order) is being proposed under the 1996 Act and, if adopted, would be established by USDA through the issuance of an order, and rules and regulations. Prior to becoming effective, a referendum would be conducted by USDA to determine if certified organic producers, certified organic handlers, and importers of organic products favor the implementation of the Order.

Under the proposed Order, certified organic producers, certified organic handlers, and importers of organic products would be subject to an initial assessment rate of one-tenth of one percent of net organic sales for domestic certified organic producers and certified organic handlers with gross organic sales greater than \$250,000 in the previous marketing year. Importers with transaction value that exceeds \$250,000 in organic products during the prior year would remit one-tenth of one percent of the declared transaction value of those certified organic products at the time of importation.

The proposed Order would be administered by a 17 member Organic Research and Promotion Board (Board), which would be comprised of voluntarily or mandatorily assessed entities, one of which is an at-large public non-voting member. Of the 16 voting members, 8 would be organic producers (including 1 voluntarily assessed producer), 7 would be handlers (including 2 product processors), and 1 would be an importer. Under this proposal, producers would have one more voting member than handlers.

Board members would serve terms of three years and could serve a maximum of two consecutive terms. For the initial Board, terms will be staggered for two, three, and four years as recommended by the OTA to the Secretary. The Board would use assessments collected under the Order to carry out research and promotion activities. In order to carry out these responsibilities, manufacturers and importers are required to submit certain information, as provided in Sections 515,

516, and 517 of the 1996 Act, and Sections 1255.41,1255.53, 1255.70, and 1255.71 of the Order.

A second information collection package that contains the referendum ballot for 281.12 burden hours is being submitted in a separate package because its approval is needed for an upfront vote on whether to implement the program. Upon approval of both information collection packages they will be merged into one information collection package and ultimately merged into 0581-0093.

It is estimated that there are 21,601 respondents comprised of 19,466 domestic producers and handlers and 2,135 importers. These 21,601 respondents are required to keep books and records to carry out the provisions of the proposed Order. The 21,601 respondents differ from the number of respondents completing the forms identified on the AMS Form 71, due to the fact that not all of the domestic producers, handlers and importers have to fill out the forms listed, but all domestic producers, handlers, and importers have to keep the books and records to show they have either paid the assessment or are exempt from paying the assessment.

The information required under this program is gathered through the following forms, and is used by USDA's AMS, and the Board as described below:

For Board nominations, importers and domestic certified organic producers and handlers interested in serving on the Board would be asked to submit a "Nomination Form" to the Board indicating their desire to serve or to nominate another industry member to serve on the Board. Interested persons could also submit a background statement outlining qualifications to serve on the Board. Except for the initial Board nominations, importers and domestic certified organic producers and handlers would have the opportunity to submit a "Nomination Ballot" to the Board where they would vote for candidates to serve on the Board. Nominees would also have to submit a background information form, "AD-755," to the Secretary to ensure they are qualified to serve on the Board.

1) Organic Production and Handling Report (ORG-PHR) (Section 1255.70): Producers and handlers would be required to report to the Board on a reporting period determined by the Board information necessary for the Board to perform its duties. For producers and handlers, the information includes: Company name; Company address; "Net organic sales" during the reporting period, which is gross sales in organic products minus (a) the cost of certified organic ingredients, feed, and agricultural inputs used in the production of organic products and (b) the cost of any non-organic agricultural ingredients used in the production of organic products; and the entity's tax identification number.

2) Organic Import Report (ORG-IR) (Section 1255.70): Importers would be required to report to the Board on a reporting period determined by the Board information necessary for the Board to perform its duties. For importers, the total transaction value of organic products imported during such reporting period; product codes; quantity; date; country of origin; and port of entry; and the importer of record tax identification number.

3) Entity Registration Statement and Application for Exemption from Assessments (ORG-RAE) (Section 1255.53): Certified organic producers, certified organic handlers, and importers of organic products would need to register with the Board. This form requires production, handling and importation data, supporting documentation, and certification. The form requests the minimum information necessary for proof of which producers, handlers and importers should remit assessments to the Board or be granted exemption from assessments under the Order.

4) Dual Covered Commodity Application for Exemption from Assessments (ORG-DAE) (Section 1255.53): Producers, handlers, or importers who elect to pay assessments to an existing marketing order or research and promotion program could claim an exemption from assessments. This form requires production, handling and importation data, supporting documentation, and proof of certification, as applicable. The form requests the minimum information necessary for proof that producers, handlers, and importers should be exempt from assessments under the Order.

5) Nomination Appointment Form (ORG-NOM) (Section 1255.41). This form would be used to nominate domestic producers, handlers, and importers to serve on the Board. Interested persons could also submit a background statement outlining qualifications to serve on the Board. For regional organic producer representatives, the nomination form may be used to nominate persons to Board positions. Once all of the nominations for each position of the Board have been received, the Board will put the names on the ballot and send to eligible producers, handlers, and importers to vote. Once the votes are tallied from the ballots those receiving the most votes would be nominated to the Board and forwarded to USDA for consideration by the Secretary of Agriculture.

6) Nomination Appointment Ballot (ORG-BAL) (Section 1255.41). This form would be used by producers, handlers and importers to vote on nominees to the Board. Once the votes are tallied from the ballots, those receiving the most votes would be nominated to the Board, and those nominees will be forwarded to USDA for consideration by the Secretary of Agriculture.

7) Background Information Form AD-755 (OMB 0505-0001) (Section 1255.41): This form contains questions to ascertain the nominee's qualifications for consideration of appointment to the Board by the Secretary of Agriculture. The form questions include: personal identification information, including name, social security number, date of birth, and address; length of time engaged in production, handling, or importation of organic products; net organic sales or transaction value in organic sales for the previous year, as applicable; employment information; professional affiliation(s); education; income sources for amounts over \$10,000; and criminal history. The form would be completed by all Board nominees including manufacturers and importers. This information would be provided to the

Board and forwarded to USDA for use in the nomination process. Upon approval of this collection, a change of worksheet will be submitted to increase the burden of 0505-0001 by 16 hours.

Background Statement (No Form) is information provided optionally by producers, handlers and importers outlining their qualifications and desire to serve on the Board.

8) Recordkeeping Requirements (Section 1255.70) are required to maintain and make available information for inspection by the Board and USDA. Each manufacturer and importer subject to the 1996 Act and proposed Order shall maintain appropriate records to carryout the requirements of these regulations. Recordkeeping requirements will help provide for the effective operation of the Order, and its conformance with the 1996 Act.

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.**

Though AMS is committed to complying with the e-Government Act, which requires Government agencies in general to provide the public the option of submitting information or transacting business electronically to the maximum extent possible, the availability and submission of forms electronically is discretionary. Currently, forms are transmitted by fax machine and postal delivery.

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 information to be included on these forms are not available from other sources because such information relates specifically to individual certified organic producers, certified organic handlers, and importers of organic products who are subject to the proposed Order. The primary sources of information would be books and records pertaining to the production, handling, and importation of organic products.

There is no practical method for collecting the required information without the use of these forms. Information generated by State, Federal, private

sources, or other local agencies would not generate information of a proprietary nature relative to certified organic producers, certified organic handlers, and importers who are subject to the provision of the proposed Order. Such information would not be detailed enough to be used for the specific purposes of determining the sales value of organic products produced and handled or the transaction value of organic products imported.

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.

The Small Business Administration defines, in 13 CFR Part 121, small agricultural producers as those having annual receipts of no more than \$750,000 and small agricultural service firms and buyers and purchasing agents (importers) as those having annual receipts of no more than \$7.5 million.

In 2014, there were a total of 19,466 certified organic operations in the U.S. and its territories.¹ This total includes both certified organic producers and certified organic handlers. The number of operations that were certified solely as organic handlers, according to NOP, totaled 8,327 entities. The remaining 11,139 certified organic entities include operations that are certified only as producers and operations that are certified as both producers and handlers. Producers of certified organic commodities are required to be certified as organic handlers in order to sell, process, or package agricultural products, except such term shall not include the sale, transportation, or delivery of crops or livestock by the producer thereof to a handler (7 CFR Part 205.2).

Data from the National Agricultural Statistics Service (NASS) 2014 Organic Survey show that about 91 percent of certified organic producers had 2014 organic sales value of \$750,000 or less. Applying this proportion to the 11,139 certified organic producers referenced earlier results in 10,126 producing entities being considered small.

There is no one catch-all definition by the SBA of what constitutes a small handler of agricultural products. Therefore, to maintain consistency with other federal programs and marketing orders, AMS defines a small handler as one which has no more than \$7.5 million in annual receipts as defined by the SBA under subsector 115 of the North American Industry Classification System (NAICS), "Support Activities for Agriculture and Forestry".² According to the 2012 County Business Patterns and 2012 Economic Census released June 22, 2015, about 95 percent of firms classified under subsector 115 of NAICS had less than \$7.5 million in annual receipts and would be considered small. Applying this proportion to the number of certified organic handlers results in an estimated 7,895 handler operations out of 8,327 being considered small under the SBA definition.

¹ NOP Organic Integrity database. Available at: <https://apps.ams.usda.gov/integrity/>.

² U.S. Small Business Administration, "Table of Small Business Size Standards Matched to North American Industry Classification System Codes", February 26, 2016.

According to data from the U.S. Customs and Border Protection (CBP), there were 2,135 importers of organic products with codes in the Harmonized Tariff Schedule (HTS) in 2014. Of these, about 98 percent had annual sales revenue of less than \$7.5 million in 2014. Adding the 2,135 number of importers to the 11,139 combined number of certified organic producers and certified organic handlers results in a total of 21,601 operations with sales of certified organic products in the U.S. Of this total, 20,121 entities, or 93 percent, would be considered to be small under the SBA definitions.

Thus, the majority of importers and domestic certified organic producers and certified organic handlers would be considered small entities.

Information collection requirements have been reduced to the minimum requirements of the Order. The primary sources of information used to complete the required forms are readily available from normal business records maintained by producers, handlers and importers. Such information can be supplied without data processing equipment or outside technical expertise.

Thus, the information collection and reporting burden is small, and the proposed rule requests comments as to whether the burden disadvantage any producer, handler, or importer that is smaller than the industry average.

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.

The information will be collected through a mandatory research and promotion program designed to: (1) develop and finance an effective and coordinated program of research, promotion, industry information, and consumer education regarding organic commodities; and (2) maintain and expand existing markets for organic commodities.

If the information collection herein were not collected, the Board could not carry out the coordinated organic research and promotion program, ensure compliance with the mandatory program or ensure proper assessment collection. Collecting data less frequently also would limit the Secretary's ability to oversee the proposed Order.

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.**

There are no special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.6.

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.**

A 60-day notice for comments is embedded in a proposed rule published in the Federal Register on XX, 2016 (XX FR XXXX). Some comments are expected.

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 proposed Order has not yet been implemented. There are no identified obstacles for consulting with industry members who must submit information to AMS under the proposed rule for the Order. Industry members would be consulted on an ongoing basis regarding information collection requirements.

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

AMS does not provide 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.

Section 1205(m)(2) of the 1996 Act provides that information collected from books and records will be kept confidential by those individuals having access to such information. The 1996 Act also provides for a fine and/or imprisonment for employees of the Board or USDA convicted of violating this confidentiality provision.

All information collected will be treated as confidential, as indicated on the forms and in conformance with the Privacy Act and Freedom of Information Act. Other confidential information will be withheld from public review under the Freedom of Information Act and the Privacy Act, 5 USC 552.

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.

Questions of a sensitive nature are not included on any form. The only private information required is on the Background Information Form (AD-755) that a nominee to the Board must fill out. These questions are asked to ascertain his/her qualifications to serve on the Board and include: personal identification information, including name, social security number, date of birth, and address; length of time engaged in organic production and/or handling; net organic sales; length of time engaged in importation of organic products; transaction value of sales in organic products; employment information; professional affiliation(s); education; income sources for amounts over \$10,000; and criminal history. The form would be completed by all Board nominees including producers, handlers, and importers. This information would be provided to the Board and forwarded to USDA for use in the nomination process. This information is provided to the Secretary for use in the selection process.

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. 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. GENERALLY, ESTIMATES SHOULD NOT INCLUDE BURDEN HOURS FOR CUSTOMARY AND USUAL BUSINESS PRACTICES.

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.

This new collection is for 21,601 respondents, 79,367 responses and 138,730 burden hours. See AMS Form 71 for breakdown details.

PROVIDE ESTIMATES OF ANNUALIZED COST TO RESPONDENTS FOR THE HOUR BURDENS FOR COLLECTIONS OF INFORMATION, IDENTIFYING AND USING APPROPRIATE WAGE RATE CATEGORIES. THE COST OF CONTRACTING OUT OR PAYING OUTSIDE PARTIES FOR INFORMATION COLLECTION ACTIVITIES SHOULD NOT BE INCLUDED HERE. INSTEAD, THIS COST SHOULD BE INCLUDED IN ITEM 14.

	TOTAL HOURS	MEAN HOURLY RATES	ESTIMATED ANNUAL COST (1 vote every 7 years)
REPORTING Certified Producers & Handlers (11-9013 Farmers, Ranchers, and other Agricultural Managers*)	116,172.17	\$34.89	\$4,053,247.01
REPORTING Importers (Buyers and Purchasing Agents 13-1020)	6,355.92	\$30.22	\$192,075.90
RECORDKEEPING Certified Producers & Handlers (11-9013 Farmers, Ranchers, and other Agricultural Managers*)	19,466	\$34.89	\$679,168.74
RECORDKEEPING Importers (Buyers and Purchasing Agents 13-1020)	2,135	\$30.22	\$64,519.70
TOTAL REPORTING			\$4,989,011.35

The estimated cost of providing the information to the Board by respondents would be \$4,989,011.35. This total has been estimated by the adding the cost of the hours required for producer and handling reporting (135,638.17 hours multiplied by \$34.89, the mean hourly earnings of certified producers and handlers) and importer reporting (8,490.92 hours multiplied by \$30.22, the average mean hourly earnings of importers). Data for computation of the hourly rate for producers and handlers (Occupation Code 11-9013: Farmers, Ranchers, and other Agricultural Managers) and importers (Occupation Code 13-1020: Buyers and Purchasing Agents) was obtained from the U.S. Department of Labor’s Bureau of Labor Statistics.

Data for computation of this hourly wage were obtained from the U.S. Department of Labor Statistics’ publication, “May 2015 National Occupation Employment and Wage Estimates in the United States,” updated March 30, 2016. This publication can also be found at the following website:
http://www.bls.gov/oes/current/oes_nat.htm#13-0000.

- 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).

- **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.**

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 are no capital, startup, operation, or maintenance costs associated with this program. The primary sources of information will be books and records pertaining to production, handling or importation of organic products that are normally maintained as part of usual and customary business practices.

- 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.**

AMS is reimbursed by the Board for all of its oversight costs. There are no additional costs associated with this information collection. The Federal government's estimated annual cost for providing oversight and assistance for this information collection is estimated at \$122,363 the first year and for subsequent years it is estimated to be about \$85,600. A breakdown of the oversight costs for the first year is the following:

Salaries/Benefits/FERS Contributions/Awards	\$95,326
Travel	\$5,000
Contracts/Services/Training	\$3,836
Printing/Copying/Mailing/Postage	\$3,638
Rent/Communication/Utilities/FTS	\$3,268
OGC (Legal Services)	\$10,000
Supplies/Equipment	<u>\$1,295</u>
TOTAL	\$122,363

15. EXPLAIN THE REASON FOR ANY PROGRAM CHANGES OR ADJUSTMENTS REPORTED IN ITEMS 13 OR 14 OF THE OMB FORM 83-I.

This is a new program. See the AMS-71 form for the new burden hours.

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 collected. The information collected on these forms is not for publication or statistical use.

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.

There is some confusion among respondents thinking their annual applications are good for the length of time noted in the expiration date, rather than expiring at the end of the marketing season. Additionally, the impact of the expiration date requirement on administrative and regulatory forms for the programs can adversely affect the operation and enforcement of statutes. Inadvertent use of a form with an expired date poses an opportunity for those looking for a means of disruption to challenge paying for services rendered, the validity of the collection of information, or legal requirement imposed by regulations or statutes.

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

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

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods.