

of each contract (called an "example contract") currently in effect or available by packers at each plant required to report under section 206.1. Packers must provide an initial submission of example contracts for existing and available contracts and subsequent submissions of example contracts for new contracts. A copy of an example contract will only be submitted once for each plant. Based on prior contacts with packers by GIPSA personnel during the normal course of enforcing the P&S Act, we believe that small packers have a relatively small number of example contracts that will have to be submitted. Packers will submit example contracts by mail, electronic data transmission, or another method that is convenient for them and approved by GIPSA. We will use the information in these contracts to prepare a report for public release that will describe the contract types and contract terms existing or available, but will not identify individual packers of any size, or release copies of actual individual contracts used by any packer. We will make the report with the information from the example contracts available on the Internet and at our regional office located in Des Moines, Iowa.

The second type of information reported by packers will consist of a monthly report of the number of swine committed for delivery under each type of existing contract. The form for the monthly report will consist of up to 196 separate fields of information, including report date, packer, plant identification, and certification information (16 fields); swine delivery estimates for 6 contract type categories for each of the next 12 months (up to 144 fields for committed and maximum estimates); yes or no for any currently available contracts under a category of contract type (up to 6 fields); codes for the types of expansion clauses in existing contracts to increase swine deliveries to the maximum estimate (up to 6 fields); and the dates for which the estimates are provided (24 fields). A packer will fill out 196 fields of information for a plant that had one or more contracts under each of the six contract types. Packers must report this information once each month for each plant for which it is required to report under the regulations. If 196 fields of information were required per submission, a packer will report up to 196 pieces of information each month for each plant. However, few if any packers will have contracts of such variety as to be required to complete all fields on any given monthly report. We expect that the average monthly report

of packers of any size will require entry of data into 68 to 94 fields. Packers will compile and aggregate data from individual contracts to enter into these fields. Small packers that meet the minimum purchasing and slaughtering capacity required for reporting are expected to have a smaller number of contracts from which to compile data. Therefore, the total reporting burden for smaller packers should be less than for the larger packers.

We encourage packers to utilize electronic data transmission to submit the required information to GIPSA. We will provide packers the necessary information on procedures to submit the data to GIPSA electronically. We expect that packers will use a variety of methods to provide the data to GIPSA. For electronic data transmission, we will provide a secure system to allow packers to submit data via the Internet through the GIPSA Web site.

Those small packers that choose not to use electronic submission methods for example contract information and monthly reports can send the information via facsimile or mail to GIPSA. However, a packer will have to meet the submission deadlines regardless of the method used for submission.

Projected Recordkeeping Burden on Small Entities

Each packer that is required to report information is required to maintain such records as are necessary to compile the information reported and verify its accuracy. Current P&S Act recordkeeping requirements are set out in 7 U.S.C. 221, 9 CFR 201, and 9 CFR 203.4. This rule does not require maintenance of records beyond those that packers are already required to maintain. Therefore, the rule does not create new, unduly burdensome recordkeeping requirements. Professional skills required for recordkeeping under the rule are no different than those already employed by the reporting entities. However, packers may need to extract and format the required information for submissions to GIPSA. We believe the skills needed to maintain such records are already in place at those small packers affected by the rule.

Alternatives

We considered alternative methods by which the objectives of the statute and implementing regulations could be accomplished. The regulations, as mandated by the Livestock Mandatory Reporting Act, require packers that own or use swine packing plants that slaughter a specified number of swine

each year to provide certain information to the Secretary. There were few feasible alternatives possible with regard to obtaining the required information.

In the proposed rule, we required any packer, regardless of size, to comply with the swine contract library requirements if the packer used a plant that met the slaughter capacity specified in the definition of packer in section 201.1 of the regulations. However, there are a number of small packers that buy small amounts of swine and have the swine custom slaughtered at a plant large enough to require the packer to report. To eliminate the potential burden on such small packers, we revised the rule to add a minimum annual purchase of 100,000 swine to the definition of "packer." Therefore, these small packers are not covered by the swine contract library regulations.

The example contract requirement for filing contract types in use could be accomplished by requiring that packers file copies of all contracts, not just example contracts. However, we believe this would result in an overwhelming and unnecessary paperwork burden for both packers and GIPSA. It would require all packers required to report to submit multiple copies of the same contract. It would also require a significant increase in expense to the government for the time required to review and classify all the contracts received.

The monthly report requirement could be accomplished by GIPSA compiling all data necessary for the monthly report to determine each individual packer's projected deliveries of swine for slaughter for the following 6- and 12-month periods. This alternative would require that we also implement the first alternative discussed above (that is, require packers to file all contracts) for GIPSA to have the necessary details to compile the data each month. In addition to the cost to the government of collecting all contracts, it would add significant additional costs to the government to tabulate data each month from all contracts submitted by packers.

We also considered the option of requiring electronic submission of the information required in the monthly report. Under the P&S Act, packers are required to submit information on various forms, and packers are used to submitting the information via facsimile or mail. Therefore, we decided to consider that a packer would expect to submit this information in the same format in which it submits other information. Probably all of the packers that will be required to submit information for the swine contract