

~~RESTRICTED~~ - Not to be released outside the General Accounting Office except on the basis of specific approval by the Office of Congressional Affairs

~~CONFIDENTIAL~~

B-114873

5-8-74



**REPORT TO THE SUBCOMMITTEES
ON RURAL DEVELOPMENT AND
ON AGRICULTURAL CREDIT AND
RURAL ELECTRIFICATION
COMMITTEE ON AGRICULTURE
AND FORESTRY
UNITED STATES SENATE**

RELEASED
090291

Regulations For The
Rural Development Research
And Extension Programs
Authorized By Title V Of The
Rural Development Act Of 1972 B-114873

Department of Agriculture

**BY THE COMPTROLLER GENERAL
OF THE UNITED STATES**

906772
090291

MAY 8 1974



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-114873

The Honorable Dick Clark, Chairman
Subcommittee on Rural Development
Committee on Agriculture and Forestry
United States Senate

Dear Mr. Chairman:

This is our report on the Department of Agriculture's regulations for the rural development research and extension programs authorized by title V of the Rural Development Act of 1972.

We reviewed these regulations pursuant to your request and that of Senator George S. McGovern, Chairman, Subcommittee on Agricultural Credit and Rural Electrification, Senate Committee on Agriculture and Forestry, dated July 24, 1973. On April 15, 1974, we sent you and Senator McGovern our report on the Department's regulations for implementing the business and industrial and community facility assistance programs authorized by the act.

As the Subcommittees requested, we obtained and have incorporated the Department's comments in the report.

We are sending this report also to Senator McGovern. As you instructed, we are sending copies to the Secretary of Agriculture.

We do not plan to distribute the report further unless you or Senator McGovern agree or publicly announce its contents.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "R. F. Keller".

Acting Comptroller General
of the United States



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-114873

The Honorable George S. McGovern, Chairman
Subcommittee on Agricultural Credit
and Rural Electrification
Committee on Agriculture and Forestry
United States Senate

Dear Mr. Chairman:

This is our report on the Department of Agriculture's regulations for the rural development research and extension programs authorized by title V of the Rural Development Act of 1972.

We reviewed these regulations pursuant to your request and that of Senator Dick Clark, Chairman, Subcommittee on Rural Development, Senate Committee on Agriculture and Forestry, dated July 24, 1973. On April 15, 1974, we sent you and Senator Clark our report on the Department's regulations for implementing the business and industrial and community facility assistance programs authorized by the act.

As the Subcommittees requested, we obtained and have incorporated the Department's comments in the report.

We are sending this report also to Senator Clark. As you instructed, we are sending copies to the Secretary of Agriculture.

We do not plan to distribute the report further unless you or Senator Clark agree or publicly announce its contents.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "R. F. Keller".

Acting Comptroller General
of the United States

C o n t e n t s

		<u>Page</u>
DIGEST		1
CHAPTER		
1	INTRODUCTION	5
	Scope of review	5
	Title V rural development research and extension programs	6
2	STATE RURAL DEVELOPMENT RESEARCH AND EXTENSION PROGRAMS	9
	Nature and scope of State programs	9
	USDA comments and our evaluation	11
	Matters for consideration by the Subcommittees	12
	Participation by State agencies	13
	Coordination of research programs	14
	Dissemination of research results and availability of information	16
3	MULTI-STATE RURAL DEVELOPMENT RE- SEARCH AND EXTENSION PROGRAMS	18
	Administration of multi-State programs	19
	USDA comments and our evaluation	20
	Matter for consideration by the Subcommittees	22
	Recipients to benefit from multi-State programs	22
	USDA comments and our evaluation	23
	Matter for consideration by the Subcommittees	24
	Participation by public and private colleges	24
	USDA comments and our evaluation	24
	Matter for consideration by the Subcommittees	25

ABBREVIATIONS

GAO	General Accounting Office
USDA	U. S. Department of Agriculture

*COMPTROLLER GENERAL'S REPORT
TO THE SUBCOMMITTEES
ON RURAL DEVELOPMENT AND
ON AGRICULTURAL CREDIT AND
RURAL ELECTRIFICATION
COMMITTEE ON AGRICULTURE AND FORESTRY
UNITED STATES SENATE*

REGULATIONS FOR THE
RURAL DEVELOPMENT RESEARCH
AND EXTENSION PROGRAMS
AUTHORIZED BY TITLE V OF THE
RURAL DEVELOPMENT ACT OF 1972
Department of Agriculture
B-114873

D I G E S T

WHY THE REVIEW WAS MADE

This review was directed to U.S. Department of Agriculture (USDA) regulations for the rural development research and extension programs authorized by title V of the Rural Development Act of 1972.

On April 15, 1974, GAO sent the Subcommittees a report (B-114873) on USDA's Farmers Home Administration regulations for the business and industrial and community facility assistance programs authorized by the 1972 act.

FINDINGS AND CONCLUSIONS

Title V authorizes the Secretary of Agriculture to conduct pilot rural development research and extension programs in each State. The act provides that these programs be administered through a land grant university in each State.

USDA's regulations to implement these programs were published in the Federal Register on October 18, 1973. These regulations cover USDA's requirements for State research and extension programs and for multi-State research and extension programs.

Title V authorizes appropriations not to exceed \$10, \$15, and \$20 million for fiscal years 1974, 1975, and 1976, respectively, to carry out its purposes; 10 percent of the funds are to be used for multi-State programs. For fiscal year 1974, the Congress appropriated \$3 million--\$1.5 million for research and \$1.5 million for extension. The President's fiscal year 1975 budget requests similar amounts. (See p. 8.)

State program regulations

USDA's State program regulations do not describe in the same detail as the act the types of State research and extension programs and the eligible recipients these programs are intended to benefit.

For example, the regulations do not specify that

--research can be undertaken in any field or discipline;

--extension programs should include, in addition to scientific information, such other information as technical, economic, and organizational information; and

--eligible recipients are to include

not only local citizens, agencies, and governments but also businesses, industries, Indian tribes, and citizen organizations.

Inadequate descriptions of programs and recipients could result in the nature and scope of the State programs being limited. (See p. 9.)

If properly carried out, USDA's State program regulations should be sufficient to:

- Give States an opportunity to participate in establishing State research program priorities. (See p. 13.)
- Insure that the State title V research and extension programs are coordinated with Federal, State, and local rural development activities, including research activities of the State and of public and private colleges and universities in the State. (See p. 14.)
- Insure that title V research results will be disseminated and that needed rural development assistance will be provided. (See p. 16.)

Multi-State program regulations

USDA's multi-State program regulations provide for administering such programs through four regional rural development centers. Such an administrative structure has merit, but these centers' funding and multi-State program administration are inconsistent with provisions of title V which specify that title V

programs be administered by land grant universities and that funds be allocated to States and be paid to those universities. (See p. 19.)

USDA's multi-State program regulations direct the regional programs primarily to the needs of State research and extension staffs responsible for the State title V programs, although other recipients, such as businesses, industries, and Indian tribes, also were to benefit from the title V programs. (See p. 22.)

USDA's regional program regulations do not specifically provide for private and publicly supported colleges and universities to participate in the multi-State programs, although such participation is provided for in the 1972 act and its legislative history. (See p. 24.)

RECOMMENDATIONS

This report contains no recommendations.

AGENCY COMMENTS AND UNRESOLVED ISSUES

USDA told GAO that it believed USDA's State program regulations adequately identified the nature and scope of State programs as they were intended to be performed, given the current funding level.

Although appropriation amounts have a bearing on the number of projects which can be undertaken, regulations should not be tied to appropriation amounts which can change from year to year. Regulations should be designed and written to implement and interpret the laws. USDA's comments on the funding

level, however, raise the question of whether a meaningful pilot program can be undertaken. (See p. 11.)

According to USDA, its regulations were developed for use in conjunction with the 1972 act and its regulations' frequent citations to the act facilitated joint use of the regulations and the legislation.

Although USDA's regulations refer to several sections of the act, they do not refer to those sections which identify the nature and scope of the authorized programs. The lack of such references and the inadequate descriptions of the programs and recipients could result in the nature and scope of the title V programs being limited (See p. 12.)

USDA said that, because the act was silent on how multi-State programs were to be administered, USDA had authority to administer the programs as it determined appropriate. USDA gave several reasons for using regional centers. (See p. 20.)

Although the act is silent on administration of the multi-State programs, it provides that the authority line be from USDA to the State land grant university and its State advisory council rather than to regional centers. (See p. 21.)

USDA said that its regulations stressed regional center assistance to State programs because of limited funding for fiscal year 1974.

USDA's proposed budget for fiscal year 1975 would continue funding at the fiscal year 1974 level which would seem to preclude any major

changes in the nature and scope of the regional programs in the near future. (See p. 23.)

USDA said that, under its regulations, regional centers could use the competence that existed at other colleges and universities in the region; hence, other public and private colleges are eligible to participate in the regional programs.

GAO believes that the regulations should be amended to clearly specify that such participation is intended. (See p. 24.)

MATTERS FOR CONSIDERATION BY THE SUBCOMMITTEES

The Subcommittees may wish to:

- Request USDA to amend its regulations to describe in more detail the types of research and extension programs which can be carried out and the types of recipients which these programs are intended to benefit. (See p. 12.)
- Review with USDA whether the current and proposed funding levels for the title V programs and the allocation of these funds to the States will enable meaningful pilot programs to be undertaken. (See p. 12.)
- Explore with USDA (1) the merits of having regional centers administer title V programs serving two or more States and (2) the changes that may be necessary in the act or the regulations to provide for the desired administrative structure. (See p. 22.)

In exploring merits of the regional

program and center concept, the Sub-committees may wish also to:

--Specify whether, in view of the funding level, concentrating regional programs on the needs of the State research and extension

staffs is acceptable. (See p. 24.)

--Request USDA to amend its regulations to make it clear that regional centers are to obtain participation from other public and private colleges and universities in the region. (See p. 25.)

CHAPTER 1

INTRODUCTION

The Chairmen of the Subcommittees on Rural Development and on Agricultural Credit and Rural Electrification, Senate Committee on Agriculture and Forestry, requested that we review the regulations of the U. S. Department of Agriculture (USDA) for implementing the Rural Development Act of 1972 (7 U. S. C. 1921 note (supp. II)). In subsequent meetings with our representatives, it was agreed that our review should be limited to USDA's regulations on:

- Business and industrial loan and grant programs and the community facility loan program under title I (7 U. S. C. 1924, 1926, 1932, 1942 (supp. II)).
- Rural development and small farm research and extension programs under title V (7 U. S. C. 2661 et seq. (supp. II)).
- Pollution prevention and abatement grants under title VI (16 U. S. C. 590g, h, and o (supp. II)).

On April 15, 1974, we sent the Subcommittees a report (B-114873) on our review of the regulations for the business and industrial and community facility assistance programs. USDA does not plan to implement the title V small farm research and extension programs or title VI pollution prevention and abatement grants and therefore will not issue regulations on those provisions of the act. This report covers our review of USDA's regulations for the title V rural development research and extension programs.

SCOPE OF REVIEW

We reviewed USDA's title V regulations as published in the Federal Register (38 Fed. Reg. 29022 (DI)) on October 18, 1973, to determine whether they were consistent with (1) title V of the Rural Development Act of 1972 and (2) expressions of congressional intent contained in the legislative history of that act, such as:

- House Report 92-835, Committee on Agriculture, February 16, 1972.

- House consideration of House bill 12931 (118 Congressional Record 5187).
- Senate Report 92-734, Committee on Agriculture and Forestry, April 7, 1972, on Senate bill 3462.
- Senate consideration of Senate bill 3462 and House bill 12931 which was amended in lieu of Senate bill 3462 (118 Congressional Record 13463 and 13805).
- Two versions of House bill 12931, one as passed by the House and the other as amended and passed by the Senate.
- House Report 92-1129 (conference report), June 14, 1972.
- Congressman W. R. Poage's statements to the House in presenting the conference report (118 Congressional Record July 27, 1972, H6979).
- Senator Herman E. Talmadge's statements to the Senate in presenting the conference report (118 Congressional Record Aug. 17, 1972, S13928).

As requested by the Subcommittees, we also examined into whether:

- States would participate in establishing title V research priorities. (See p. 13.)
- Title V rural development research would be coordinated with State and private research. (See p. 14.)
- USDA's Extension Service would disseminate the results of title V research and provide, through the State institutions of higher learning, the rural development assistance authorized by title V. (See p. 16.)

We also discussed the regulations and this report with USDA officials responsible for implementing these new programs.

TITLE V RURAL DEVELOPMENT RESEARCH AND EXTENSION PROGRAMS

Section 502 of the 1972 act directs and authorizes the Secretary of Agriculture, in cooperation and coordination with colleges and universities, to conduct:

- Rural development research programs to provide research, investigations, and basic feasibility studies in any field or discipline which may develop principles, facts, scientific and technical knowledge, new technology, and other information that may be useful to agencies of Federal, State, and local governments; industries in rural areas; Indian tribes; and other organizations involved in rural development programs and activities in planning and carrying out such programs and activities or otherwise be practical and useful in achieving increased rural development.
- Rural development extension programs to collect, interpret, and disseminate useful information and knowledge from research and other sources to units of multi-State regional agencies; State, county, municipal, and other units of government; multicounty planning and development districts; organizations of citizens contributing to rural development; businesses; Indian tribes; and industries that employ or may employ people in rural areas. These programs were to include technical services and educational activity to facilitate and encourage the use and practical application of this information. The programs may also include feasibility studies and planning assistance.

Section 504 provides that each program authorized by title V be organized and conducted by one or more colleges or universities in each State so as to provide a coordinated program in the State. This section requires that the program be administered in association with the programs conducted under the Smith-Lever Act of 1914 (7 U. S. C. 341)--agricultural extension programs--and the Hatch Act, as amended (7 U. S. C. 361a)--agriculture experiment station programs--and charges each State's land grant university with responsibility for program administration. This section makes all private and publicly supported colleges and universities in a State eligible to conduct, or participate in conducting, title V programs.

Section 504 provides also that in each State the chief administrative officer of the administering land grant university appoint a State rural development advisory council to review and approve the State's annual work plan under title V and to advise the land grant university on matters pertaining to the authorized program.

Section 505 provides for programs to be conducted according to a memorandum of understanding between the Secretary of Agriculture and the administering land grant university. The memorandum is to provide for coordinating all title V programs

and for coordinating these programs with other rural development programs at the Federal, State, and local levels.

According to the act's legislative history, title V programs are 3-year pilot programs for testing techniques and organizational structure. If successful, the programs may be extended, amended, or expanded to more fully meet rural America's needs.

Section 503 authorizes appropriations not to exceed \$10, \$15, and \$20 million for fiscal years 1974, 1975, and 1976, respectively, to carry out its purposes. This section also prescribes a formula for distributing the appropriated funds. For fiscal year 1974, the Congress appropriated \$3 million--\$1.5 million for research and \$1.5 million for extension. The President's fiscal year 1975 budget requests similar amounts.

CHAPTER 2

STATE RURAL DEVELOPMENT RESEARCH AND EXTENSION PROGRAMS

USDA's title V regulations (secs. 23.1 through 23.6) provide that State rural development research and extension programs be established in each State, to provide opportunities to use and build upon the research, extension, and community service capability of public and private institutions of higher education and to expand scientific inquiry and education backup for rural development.

Section 23.1 provides general information on the nature, scope, purpose, and operation of the proposed State program. Section 23.2 requires that each State program be administered through the Administrators of USDA's Extension Service and Cooperative State Research Service in cooperation with the chief administrative officer of the State land grant university. This section requires also that the State program be conducted and coordinated according to a memorandum of understanding between the Secretary of Agriculture and the chief administrative officer of the State land grant university. Section 23.3 also requires coordination of the State program.

Section 23.4 requires that the chief administrative officer of the administering land grant university appoint a State rural development advisory council which is to review and approve the State's annual plan. This section also charges the State advisory council with responsibility for insuring that the proposed program constructively reinforces State activities and is consistent with other rural development activities in the State.

Section 23.5 pertains to the availability of funds and section 23.6 sets forth USDA's requirements with respect to the States' annual work plans.

NATURE AND SCOPE OF STATE PROGRAMS

Title V of the 1972 act and its legislative history provide for establishing broad and comprehensive rural development research and extension programs in each State to provide useful information and knowledge to assist those contributing to rural development. The act describes in considerable detail the types of research and extension programs which can be carried out and the types of recipients which these programs are intended to benefit. USDA's regulations, however, do not describe the types of programs and the eligible recipients in the same detail as the act and could have the effect of limiting the nature and scope of the programs.

According to section 502(b) of the act, rural development research programs are to consist of:

" * * * research, investigations, and basic feasibility studies in any field or discipline which may develop principles, facts, scientific and technical knowledge, new technology, and other information that may be useful to agencies of Federal, State, and local government, industries in rural areas, Indian tribes on Federal and State reservations or other federally recognized Indian tribal groups, and other organizations involved in rural development programs and activities in planning and carrying out such programs and activities or otherwise be practical and useful in achieving increased rural development."

Sections 501(a) and 502(a) of the act provide that rural development extension programs consist of collecting, interpreting, and disseminating useful information and knowledge from research and other sources. Such information is to include the best scientific, technical, economic, organizational, environmental, and management information and knowledge that is available. This information is to be disseminated to a broad range of recipients, including units of multi-State regional agencies; State, county, municipal, and other units of government; multicounty planning and development districts; organizations of citizens contributing to rural development; businesses; Indian tribes; and industries.

The extension programs also are to include technical services and educational activity, including instruction for persons not enrolled as students in colleges or universities, to facilitate and encourage the use and practical application of this information to practical problems and needs in rural development. The programs may include feasibility studies and planning assistance.

In describing the types of research and extension programs which States may conduct, section 23.1(a) of USDA's regulations states that the institutions of higher education in each State, including the land grant university, are authorized to assist in developing and disseminating scientific information, technical assistance, and feasibility studies required to improve the rural development capability of local citizens, agencies, and governments. Other provisions of the regulations indicate that the States' programs should include rural development research.

The regulations do not specify that the research programs are to include research in any field or discipline that may develop principles, facts, scientific and technical knowledge, new technology, and other information. Further, the regulations do not specify that, in addition to including scientific information, the extension programs are to include technical, economic, organizational, environmental, and management information available from research and other sources. Also the regulations' description of eligible recipients as "local citizens, agencies, and governments," does not appear to include such other eligible recipients as businesses, industries, Indian tribes, and organizations of citizens contributing to rural development.

USDA comments and our evaluation

USDA told us that it believed the regulations adequately identified the nature and scope of the State programs as they were intended to be performed, given the current level of funding. It said that title V was originally drafted with proposed funding of about \$100 million but that the act authorized only \$10 million for the first year (fiscal year 1974). The Congress appropriated only \$3 million--\$1.5 million for research and \$1.5 million for extension. According to USDA, the act's language was not changed to reflect the lower rate of funding; hence, it was totally unrealistic to expect the regulations and programs at the \$3 million funding level to fully reflect the act's scope .

USDA told us that fiscal year 1974 distributions to the States ranged from about \$7,100 to \$52,600 for title V research and like amounts for extension. USDA said that translation of these amounts into science man-years on the basis of current costs showed that

- 27 States received less than 1 science man-year,
- 20 States and Puerto Rico received from 1 to 2 science man-years, and
- 3 States received more than 2 science man-years.

Although appropriation amounts have a direct bearing on the number and types of projects that can be undertaken, we believe that regulations should not be tied to appropriation amounts which can change from year to year. Rather, regulations should be designed and written to implement and interpret the laws.

USDA's comments on the funding level, however, raise the question of whether meaningful pilot programs can be undertaken, especially in those 27 States which received less than 1 science man-year. USDA's budget request for fiscal year 1975 would continue the level of funding at \$3 million although the act authorized appropriations of up to \$15 million.

USDA said also that the title V regulations were developed for use in close conjunction with the legislation itself, that copies of the act had been given to all administering officials in the States, and that frequent citations to the act facilitated joint use of the regulations and the legislation. It said that development of the regulations proceeded on the principle that the act should be the controlling document and that the regulations ought to clarify and supplement, rather than repeat, the act .

More specifically, USDA said that section 23.1 of the regulations, which generally describes State programs, was intended to be used, and was used, in conjunction with sections 501, 502(a) and (b), and 507(a) of title V.

Although USDA's regulations refer to several sections of the act, they do not refer to sections 501, 502(a) and (b), or 507(a) which identify the nature and scope of the authorized programs. Although we recognize that it is not necessary for regulations to repeat the language of the act, we believe they should, at a minimum, identify fully, through appropriate language or through references to sections 501 and 502, the authorized research and extension programs and the eligible recipients. Inadequate descriptions of the programs and recipients and the lack of references to sections 501 and 502 could result in the nature and scope of the programs being limited.

Matters for consideration by the Subcommittees

The Subcommittees may wish to:

- Request USDA to amend its regulations to describe in more detail the types of research and extension programs which can be carried out and the types of recipients which these programs are intended to benefit.
- Review with USDA whether the current and proposed funding levels for the title V programs and the allocation of these funds to the States will enable meaningful pilot programs to be undertaken.

PARTICIPATION BY STATE AGENCIES

The Subcommittees asked that we ascertain whether USDA's title V regulations give States an opportunity to participate in establishing research program priorities. In our opinion, USDA's regulations, its memorandums of understanding with the administering universities, and the organizational structure for implementing State title V programs give the States an opportunity to participate in establishing such priorities.

As provided in section 504(e) of the act, section 23.4(a) of USDA's regulations requires State agencies involved in rural development in each State to be represented on the State Advisory Council. The regulations also:

- Charge the chairman of the State advisory council with responsibility for insuring that proposed title V programs are not inconsistent with and, to the maximum extent practicable, are in consonance with other rural development programs and activities approved in the State (sec. 23.4(b)).
- Require the State advisory council to jointly consider with appropriate State agencies those research and extension plans which impact directly on rural development activities being developed or pursued by the States (sec. 23.4(c)).
- Require the proposed State annual work plan to be (1) coordinated with the State and its ongoing rural development program, (2) consistent with State-wide comprehensive planning and development efforts and objectives, and (3) related to ongoing programs that complement and support the proposed program (secs. 23.1(b); 23.6(a) (2), (4), and (5); 23.6(b); and 23.6(c)(1)(v)).

USDA's regulations and its memorandum of understanding with each administering land grant university require that State title V programs be administered in association with the programs conducted under the Smith-Lever Act of 1914 and the Hatch Act, as amended. (See p. 7.) These programs are administered by State

extension services and experiment stations through, and in cooperation with, USDA's Extension Service and Cooperative State Research Service.

The memorandum of understanding requires the land grant university to assign the responsibility for administering rural development extension activities to the director of the cooperative extension service at each land grant university. It also requires that the State program be coordinated with the State rural development committee which is composed of USDA agencies, including the Extension Service, and in most cases, other Federal and State agencies.

Section 22.205(d) of USDA's regulations for coordinating rural development (38 Fed. Reg. 29020(DI)) requires that title V activities be consistent with the principle that States and multicounty jurisdictions are responsible for rural development planning and priority setting at their respective levels.

In view of USDA's regulations, its memorandums of understanding with the administering land grant universities, and the organizational structure established to administer and coordinate title V programs, we believe that State agencies have an adequate opportunity to participate in establishing research priorities.

COORDINATION OF RESEARCH PROGRAMS

Title V requires that research and extension programs be coordinated with other rural development activities of Federal, State, and local governments. The Subcommittees asked that we ascertain whether USDA's regulations provide for coordinating rural development research with State and private research.

In our opinion, USDA's regulations provide for coordinating State research and extension programs with Federal, State, and local rural development activities, including the research activities of the State and of public and private colleges and universities in the State.

As provided in section 505(a) of the 1972 act, section 23.2(b) of USDA's regulations requires that each State's title V programs be conducted as mutually agreed upon in a memorandum of understanding between the Secretary of Agriculture and the university responsible for administering these programs. According to section 505(a) the memorandum is to provide for coordinating title V programs with other rural development programs of Federal, State, and local governments.

The memorandum of understanding, which is incorporated in the regulations by reference, provides that:

- Title V programs be organized and conducted in cooperation with other colleges and universities in the State, as appropriate, so as to provide a coordinated program.
- The person responsible for the State's overall program coordination shall provide for coordinating title V programs with the State rural development committee and other rural development programs of Federal, State, and local governments.

The memorandum provides also that USDA's Assistant Secretary for Conservation, Research, and Education will:

- Coordinate title V programs through USDA's Extension Service and Cooperative State Research Service in cooperation with the Assistant Secretary for Rural Development. (See secs 23.1(b) and 23.2(a) of USDA's regulations.)
- Coordinate title V programs with other rural development research and extension programs of USDA and other Federal agencies.

Sections of USDA's title V regulations requiring coordination include:

- Section 23.4(b) which charges the chairman of the State advisory council with responsibility for insuring that State and regional programs are not inconsistent with and are, to the maximum extent practicable, in consonance with other rural development programs and activities approved in the State.
- Section 23.4(c) which requires that those research and extension plans impacting directly on rural development activities being developed or pursued by the State be considered jointly by the council and appropriate State agencies to insure a constructive reinforcement of those State activities. (See sec. 23.6(c)(1)(v).)

--Section 23.6 which requires that the State's annual work plan (1) include the relationship of title V programs to ongoing planning and development efforts, including a brief description of the projects funded from other sources that complement and support the title V programs (secs. 23.6(a)(2), (4), and (5)) and (2) be consistent with State-wide comprehensive planning and development efforts and objectives (sec. 23.6(c)(1)(v)).

If properly implemented, USDA's regulations should be sufficient to insure coordination of the State research and extension programs with Federal, State, and local rural development activities, including research activities of the State and of public and private colleges and universities in the State.

DISSEMINATION OF RESEARCH RESULTS AND AVAILABILITY OF INFORMATION

Title V provides for disseminating research results and for making information available through the extension program. The act also authorizes technical services and educational activity to facilitate and encourage the use and practical application of research results and information. The Subcommittees asked that we ascertain whether rural development research results would be disseminated and whether needed rural development assistance would be provided.

In our opinion, USDA's regulations are adequate to insure that rural development research results will be disseminated and that needed rural development assistance will be provided.

Section 502(a) of the act provides that rural development extension programs consist of collecting, interpreting, and disseminating useful information and knowledge from research and other sources. (See p.10 for the type of information to be made available.) To facilitate and encourage the use and practical application of this information, extension programs are to include technical services and educational activity, including instruction for persons not enrolled as students in colleges or universities. These programs may also include feasibility studies and planning assistance.

To be of practical use, rural development research results and information must be disseminated to recipients. Sections 23.6(a)(4) and (5) of USDA's regulations require that the State's annual work plan include a concise statement describing each research and extension project to be funded under each

program. This statement is to include the title, objectives, and organizational and operational procedures for the project and the probable duration of, and the personnel and institutions involved in, the project. In addition, each research project is to relate to the extension effort and each extension project is to relate to the research effort. Also section 23.6(c)(iv) of the regulations requires that the State's annual work plan give priority to education and research assistance which furthers the objectives of rural development.

USDA told us that dissemination of research results to the beneficiaries identified in the act was insured under section 502 (b) of the act. Also a USDA Extension Service official told us that the items required by sections 23.6(a)(4) and (5) of the regulations were intended to tie research and extension together. The official said that, in view of the pilot nature of title V programs, USDA wanted to allow some leeway in the programs' administration to find out which methods worked best, rather than to specifically require a restatement of the usual Extension Service methods of disseminating information.

The official said that, although there was no guarantee that sufficient funds would be available under title V for disseminating all title V research results, the title V program was to be administered in close association with USDA's existing research and extension programs. The official stated that this could include using existing extension programs to disseminate title V research results.

CHAPTER 3

MULTI-STATE RURAL DEVELOPMENT RESEARCH AND EXTENSION PROGRAMS

Section 503(b)(2) of the Rural Development Act of 1972 directs that the Secretary of Agriculture allocate to States 10 percent of the funds appropriated for title V programs to finance work which serves two or more States and in which universities in two or more States cooperate or which are conducted by one university. To implement this section, USDA regulations (secs. 23.9 through 23.13) provide for establishing regional rural development research and extension programs.

According to section 23.10(a) of the regulations, the regional programs are to be administered through four regional rural development centers having the same boundaries as the regional boundaries of the National Association of State Universities and Land Grant Colleges. Each regional center is to be established by the Regional Association of State Agricultural Experiment Station Directors and the Regional Organization of Cooperative State Extension Directors in the region to be served by the center.

Section 23.11 of the regulations requires that each regional center have a board of directors selected by the Regional Association of State Agricultural Experiment Station Directors and the Regional Organization of Cooperative State Extension Directors. Board membership is to include representatives from State cooperative extension services and State agricultural experiment stations from the States in the region and/or other administrators of title V programs in the region. The director of each regional center is responsible for developing a regional work plan which is to be reviewed and approved by the board.

Pursuant to section 23.12 of the regulations, available funds are to be allocated equally to the four regional centers and, after USDA approves the regional centers' work plans, are to be paid to the directors of the centers.

Section 23.13 of the regulations sets forth USDA's requirements for a regional center's work plan.

ADMINISTRATION OF MULTI-STATE PROGRAMS

The 1972 act and the legislative history of title V are silent as to how the programs serving two or more States and undertaken pursuant to section 503(b)(2) are to be administered. USDA has chosen to administer multi-State programs through four regional rural development centers. Although such an administrative structure has merit, these centers' funding and program administration are inconsistent with certain provisions of title V.

Section 503(b)(2) provides that 10 percent of the funds appropriated by the Congress to carry out the purposes of title V:

" * * * be allocated by the Secretary to States to finance work serving two or more States in which universities in two or more States cooperate or which is conducted by one university to serve two or more States * * *." (Underscoring supplied.)

Other sections of the act provide that:

"Payment of funds to any State for programs authorized under section 502(a), (b), and (c) shall be contingent upon the Secretary's approval of an annual plan and budget for programs conducted under each part and compliance with such regulations as the Secretary may issue under this title * * *." (See 503(d).)

"Each of the programs authorized by this title shall be organized and conducted by one or more colleges or universities in each State so as to provide a coordinated program in each State." (See 504(a).)

" * * * administration of each State program shall be a responsibility of the institution or university [land grant university] accepting the benefits of the Morrill Act of 1862 (12 Stat. 503) as amended. * * * The Secretary shall pay funds available to each State to said institution or university." (Sec. 504 (b).)

"The chief administrative officer of the university in each State responsible for administering the program authorized by this title shall appoint a State Rural Development Advisory Council * * *.

"It shall be the function of the Council to review and approve annual program plans conducted under this title * * *."
(Sec. 504(e).)

The USDA regulations for regional programs and regional centers that are inconsistent with the above provisions of title V are:

- Section 23.10 which specifies that regional centers rather than land grant universities, administer multi-State programs.
- Section 23.12 which specifies that funds for multi-State programs be allocated equally to the four regional centers and paid to their directors rather than allocated to the States and paid to the administering land grant universities.
- Section 23.11(b) which specifies that the board of directors of a regional center, rather than a State advisory council, review and approve the regional center's work plan.
- Sections 23.9 through 23.11 which indicate that the regional center, rather than cooperating universities in two or more States or one university, carries out the regional work plan.

USDA comments and our evaluation

USDA agreed that the legislation and legislative history do not mention centers. It said that the act was silent on the administrative procedures for implementing section 503(b)(2) and that the Secretary, under section 508, had authority to administer that section as he determined appropriate. Section 508 authorizes the Secretary to issue such regulations as may be necessary to carry out the provisions of title V.

USDA said that regional centers seemed the best way to administer the section 503(b)(2) programs because:

- No mechanism existed to carry out section 503(b)(2); one would have to be created.
- The amount of funds available to States to cooperate in work with another State, under the fiscal year 1974 funding level, ranged from \$1,500 to about \$11,000, or a total of \$300,000 for the 50 States and Puerto Rico.
- Three rural development centers had already been established with USDA grant funds to do rural development research--one at Cornell University for the Northeastern States, one at Iowa State University for the North Central States, and one at Oregon State University for the Western States. A regional rural development research council had been created for the Southern States.

USDA said that, in each case, the center had been created at one university to carry out work serving two or more States. It said that, under the regulations, each center could use the competence that exists at other colleges and universities in the region and that such institutions in the States involved in the title V programs could call on the centers for assistance. Hence, other public and private colleges are eligible to participate in the centers' programs. USDA also said that the centers offered the opportunity to test a new mechanism for doing research and extension work on a regional basis and that the centers made it possible to relate title V research and extension to research supported under the Hatch Act.

We believe there is merit to administering multi-State programs through regional centers. However, the act, although silent on administration of the multi-State programs, provides that the line of authority be from USDA to the State land grant universities or State advisory councils rather than to the regional centers. Regional center programs could be funded under the act if provisions for regional centers were included in the States' annual work plans and were approved by the State advisory councils.

A USDA official said that, although three regional centers had been established at land grant universities, the centers were not part of the universities. Also the boards of directors of these centers are, for title V purposes, responsible only to USDA.

Further, the boards of directors, which are to review and approve the regional work plans, do not have representatives from all groups from which the act requires representation on State advisory councils.

Matter for consideration by the Subcommittees

The Subcommittees may wish to explore with USDA (1) the merits of having regional centers administer title V programs serving two or more States and (2) the changes that may be necessary in the act or the regulations to provide for the desired administrative structure.

RECIPIENTS TO BENEFIT FROM MULTI-STATE PROGRAMS

USDA's regulations direct the regional programs primarily to the needs of State research and extension staffs responsible for the State programs under title V, although other recipients also were to benefit from the title V programs.

According to section 502 of the 1972 act, the rural development research and extension programs are to benefit such recipients as Federal, State, and local government agencies; multi-State regional agencies; multicounty planning and development districts; Indian tribes; businesses; industries; and other organizations involved in rural development programs and activities.

Section 23.9(c) of the regulations provides that regional programs concentrate on high-priority knowledge, training, and personnel needs required for the research and extension staffs that will conduct the State rural development research and extension programs. According to section 23.9(c), these efforts may include personnel development and consultation, the synthesis and interpretation of existing research knowledge for rural development program and policy purposes, the development of strategies and procedures on significant regional rural development problems, the conduct of research on high priority problems, and the evaluation of rural development programs and policies.

Also sections 23.13(a), (1), and (2)(i) of the regulations specify that the regional center's work plan include a statement identifying the

- high-priority knowledge, skill, and organizational needs for rural development programs and policy purposes in the region;

- technical consultation, training, and personnel needs of research and extension workers in support of rural development programs, and
- types of personnel to be trained, technical consultation to be conducted, estimated number of participants, location or locations where the program will be conducted, and staff members who will conduct the work.

These sections emphasize projects involving technical consultations, training, personnel development, and personnel needs for the State research and extension staffs, although title V authorized broader and more comprehensive programs directed at other recipients.

USDA comments and our evaluation

USDA told us that, because of limited funding for fiscal year 1974, the regulations stressed assistance to State programs but that the regulations did not limit the nature and scope of regional programs to technical and education activities. For example, USDA said, the regional work plan (sec. 23.13(a)(2)(iii) of the regulations) calls for a statement of the high-priority rural development research which will be undertaken as funds permit and the staff that would do the research.

USDA said that it was likely the centers work plans would broaden, rather than limit, the scope of regional programs. USDA also said that the relationship of the center to expertise outside the center and the center director's seeking advice from regional and subregional committees, groups, and persons who can contribute to the center's program assured breadth and depth.

We recognize that the regulations do not limit regional programs to technical services and educational activity for State research and extension staffs, however, section 23.9(c) of the regulations provides for concentrating the regional programs on the needs of these staffs. (See p. 22.)

We recognize also that the nature and scope of fiscal year 1974 programs are limited because of funding. However, USDA's proposed fiscal year 1975 budget would continue funding regional programs at the fiscal year 1974 level. This seems to preclude any major changes in the nature and scope of the regional programs in the near future.

Matter for consideration by the Subcommittees

In exploring with USDA the merits of the regional program and center concept (see p. 22), the Subcommittees may wish to specify whether, in view of the funding level, concentrating regional programs on the needs of the State research and extension staffs is acceptable.

PARTICIPATION BY PUBLIC AND PRIVATE COLLEGES

USDA's regulations do not specifically require private and publicly supported colleges and universities to participate in the regional programs, although section 504(c) of the 1972 act and its legislative history provides for such participation.

Section 504(c) states that private and publicly supported colleges and universities in a State, including the land grant universities, are eligible to conduct, or participate in conducting, title V research and extension programs. It provides also that officials at universities or colleges other than those responsible for administering the authorized programs that wish to participate in these programs submit program proposals to the university officials responsible for administering these programs.

Section 23.10(b) of USDA's regulations states that regional centers are expected to draw on expertise from outside the centers in administering the regional programs and are to seek advice and assistance from regional and subregional committees, groups, or persons who can contribute to the regional programs. This and other provisions of the regulations, however, do not specifically require that the regional centers obtain participation from other public and private colleges and universities in the region.

USDA comments and our evaluation

USDA said that, under its regulations, regional centers could use the competence that existed at colleges and universities in the regions and that all institutions in the States involved in the title V programs could call on the centers for assistance. Hence, other public and private colleges are eligible to participate in the regional programs.

We believe USDA should amend its regulations to clearly specify that such participation is intended.

Matter for consideration by the Subcommittees

In exploring the merits of the regional program and center concept (see p. 22), the Subcommittees may wish also to request USDA to amend its regulations to make it clear that regional centers are to obtain participation from other public and private colleges and universities in the region.