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Food and Agriculture Issue Area

Active Assignments

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Foreword

This report was prepared primarily to inform Congressional members and key staff of ongoing assignments in the General Accounting Office's Food and Agriculture issue area. This report contains assignments that were ongoing as of October 2, 1995, and presents a brief background statement and a list of key questions to be answered on each assignment. The report will be issued quarterly.

This report was compiled from information available in GAO's internal management information systems. Because the information was downloaded from computerized data bases intended for internal use, some information may appear in abbreviated form.

If you have questions or would like additional information about assignments listed, please contact John Harman, Director, on (202) 512-5138; or Robert Robinson, Associate Director, on (202) 512-9894.

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Food and Agriculture

INCOME SUPPORT AND COMMODITY PROGRAMS

TITLE: MINORITY FARMERS ON LOCAL USDA COMMITTEES (150058)

BACKGROUND : This phase II of mandated GAO study looks at impact of underrepresentation of minority farmers on local committees that implement USDA farm programs. On 3/1/95 GAO issued a report (RCED-95-113R) that addressed part of the mandate, reporting on the fact that minority underrepresentation exists. USDA let a contract with private firm to evaluate certain underrepresentation impacts.

KEY QUESTIONS : Q1. Does the underrepresentation of minorities on elected committees inhibit or interfere with participation of socially disadvantaged producers in USDA programs? Q2. Is the USDA contractor study sound and appropriate?

TITLE: REVIEW OF FCIC BLUEPRINT FOR REDUCING LOSS RATIO TO 1.1 (150825)

BACKGROUND : The 8/10/93 budget requires FCIC to publish for comment a blueprint by mid-Sept 1993 for reducing its loss ratio from 1.4 to 1.1, which Congress estimates will save \$501 million over 5 years. Currently, FCIC plans to publish the blueprint in early February 1994.

KEY QUESTIONS : How effectively does FCIC's blueprint address problems in achieving actuarial soundness that have historically contributed to losses of about \$250 million annually?

TITLE: REVIEW OF USDA RICE AND COTTON MARKETING LOANS ADMINISTERED BY COOPERATIVE MARKETING ASSOCIATIONS (150832)

BACKGROUND : Millions of dollars in marketing gains and loan deficiency payments are paid annually to rice and cotton Cooperative Marketing Associations (CMAs) who distribute these funds to member producers. USDA's Consolidated Farm Service Agency (CFSA) ensures that payments are (1) made only to eligible producers, (2) calculated accurately, and (3) do not exceed limits.

KEY QUESTIONS : (1) Are CMAs implementing the internal controls necessary to calculate payments correctly and ensure that payment limits are not exceeded? (2) To what extent does CFSA oversee these payments to ensure accuracy and compliance with payment limits? (3) What has the federal government spent on this program in the past 10 years?

Food and Agriculture

FOOD SAFETY

TITLE: REVIEW OF INCIDENCE AND TRENDS OF FOODBORNE INFECTIONS (150639)

BACKGROUND : The Centers for Disease Control and Prevention (CDC) researches, monitors, and controls foodborne diseases, which are widespread and costly. Data are reported to CDC by local and state health departments, but often foodborne illnesses go unreported, making the incidence and risk unclear.

KEY QUESTIONS : (1) What is the incidence and trend of foodborne infections? (2) What are the limitations of the data available to CDC for assessing the risks from the most threatening foodborne pathogens?

TITLE: FOOD SAFETY: WHO DOES WHAT IN THE FEDERAL GOVERNMENT UPDATE (150640)

BACKGROUND : The U.S. government spends over \$1 billion annually for food safety. In 1990 GAO reported on the fragmentation of federal responsibility for food safety among 12 separate federal agencies. The Congress plans to deliberate new food safety legislation during late 1995.

KEY QUESTIONS : 1) Which agencies currently have food safety responsibilities, and what are their roles, funding, staffing, and workload levels? 2) How have the agencies' responsibilities, funding, staffing, and workload levels changed from our prior report to the present? 3) What major food safety initiatives have the agencies undertaken since the prior report?

TITLE: IN-DEPTH ANALYSIS OF USDA'S FOOD SAFETY PROPOSAL (HACCP) (150641)

BACKGROUND : USDA's Hazardous Analysis and Critical Control Point System (HACCP) proposal will cost the beef, pork, and poultry industries about \$733 million during the first 4 yrs. Concerns have been raised about how the rule's costs will be shared by the industry (eg, small/large, new/old, beef/ poultry); and the proportion of the costs to the producers, processors, and consumers.

KEY QUESTIONS : 1) What additional data is needed to fully assess the costs and benefits of the HACCP rule? 2a) How will HACCP costs be spread among different sized plants producing various products, per pound? 2b) What share of HACCP costs will be incurred by beef, poultry, and pork industries, by pound? 3) What share of HACCP costs will be borne by producers, processors, and consumers?

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INT'L AGRILTRADE & MARKET DEVELOPMENT

TITLE: MANDATED REVIEW OF ASSESSMENTS ON IMPORTS UNDER THE COTTON CHECK-OFF PROGRAM (150913)

BACKGROUND : In 1966, Congress authorized the cotton check-off program to carry out various promotion and research activities funded by assessments on U.S. producers. The 1990 Farm Bill amended the cotton check-off program to allow for collecting assessments on cotton imports. The act also mandated that GAO review specific questions related to assessing cotton imports under the program.

KEY QUESTIONS : (1) How is the imported cotton check-off program administered? (2) How has the U.S. market for cotton and cotton products grown over the years? (3) To what extent have quotas prevented importers from benefitting from such growth? and (4) Is the cotton import assessment consistent with U.S. international trade obligations?

TITLE: REVIEW OF NEW ZEALAND'S CHEESE EXPORTS TO U.S. MARKETS (150915)

BACKGROUND : The Uruguay Round of GATT resulted in a variety of disciplines designed to liberalize trade through state trading enterprises (STEs) such as the New Zealand Dairy Board. STEs engage in trade and are owned, sanctioned, or otherwise supported by the government. Although STEs are generally subject to GATT disciplines there are some concerns about their trading practices.

KEY QUESTIONS : 1) What is the economic framework in which the New Zealand Dairy Board distributes its cheese exports in the U.S.? 2) How did the Uruguay Round (UR) modify the allocation of tariff-rate quota to licensees? 3) How did the UR affect import regulations protecting the U.S. dairy industry? 4) How did the UR affect the Dairy Export Incentive Program?

AGRICULTURE AND THE ENVIRONMENT

TITLE: WATER QUALITY: WHO DOES WHAT IN THE FEDERAL GOVERNMENT (150545)

BACKGROUND : The federal government, over the past several years, has broadened its water quality initiatives to address both point and non-point pollution sources, which now involve numerous federal agencies and programs.

KEY QUESTIONS : (1) What are the statutory responsibilities, programs, activities, staffing, and budgets of the federal agencies involved in water quality protection?

Food and Agriculture

AGRICULTURE AND THE ENVIRONMENT

TITLE: REVIEW OF MANAGEMENT PRACTICES TO CONTROL ANIMAL AGRICULTURE'S EFFECTS ON WATER QUALITY (150546)

BACKGROUND : Public concern about water pollution from animal agriculture is increasing. EPA estimates animal agriculture is a source of 1/3 to 1/2 of the Nation's nonpoint surface water pollution. To reduce this pollution, several USDA programs provide financial assistance to farmers for animal waste management practices.

KEY QUESTIONS : Q1. How does USDA decide which waste management practices to provide with financial assistance and what factors does it consider in its decision? Q2. What new waste management practices are being introduced? Q3. How do other countries manage animal wastes? Q4. To what extent do state and local programs provide financial assistance for waste management practices?

FOOD AND NUTRITION ASSISTANCE

TITLE: ADULTERATION OF FRUIT JUICE PRODUCTS SOLD TO SCHOOL MEALS PROGRAM (150244)

BACKGROUND : The Federal School Meals Program serves meals to millions of children. Although there have been several prosecutions for the sale of adulterated fruit juices to schools, some allege that the problem continues. As a result, Congress mandated GAO to determine the problems and costs associated with the sale of adulterated fruit juices to the meals program.

KEY QUESTIONS : 1. What is the nature/extent of adulterated juice sold to the school meals program and can current inspection and testing identify adulteration? 2. What federal enforcement actions have been taken against juice adulterators and what was the financial impact identified in those cases? 3. What are the advantages/disadvantages of alternative detection methods?

TITLE: USE OF PRIVATE FOOD ESTABLISHMENTS AND CATERERS BY SCHOOLS THAT PARTICIPATE IN THE NATIONAL SCHOOL MEALS PROGRAM (150245)

BACKGROUND : The School Lunch Program provides meals to about 25 million school children each day. Because of rising school lunch costs, some schools are using private food establishments to provide school meals. The Congress is concerned about impacts resulting from the use of private food vendors, including changes in meal content and student participation in the School Lunch Program.

KEY QUESTIONS : (1) Under what terms do vendors supply school lunch and breakfast program meals, (2) what is the nutritional profile of all foods provided to students, (3) what impacts do catered meals have on local child nutrition programs, vendors' use of USDA commodities, program participation by students, school employment and revenues, and students leaving school during lunch periods?

Food and Agriculture

FOOD AND NUTRITION ASSISTANCE

TITLE: REVIEW OF OPERATION OF MINNESOTA FAMILY INVESTMENT PLAN (MFIP) REGARDING COST-NEUTRALITY OF PAYMENTS FOR FOOD ASSISTANCE (150246)

BACKGROUND : The Minnesota Family Investment Plan (MFIP) is a 5-year welfare reform demonstration that replaces Aid to Families with Dependent Children, Food Stamps, and General Assistance with a single cash grant in 7 Minnesota counties. The authorizing legislation for this project requires that it must be cost-neutral to the federal government.

KEY QUESTIONS : (1) What are the procedures agreed to by Minnesota and the federal government to calculate federal food stamp costs under MFIP? (2) Is Minnesota carrying out these procedures in accordance with agreements? (3) Have MFIP food stamp payments been made in accordance with agreements?

TITLE: PLATE WASTE IN THE NATIONAL SCHOOL LUNCH PROGRAM (150249)

BACKGROUND : The National School Lunch Program provides cash and food donations to States to help schools provide nutritious lunches. In 1994, average daily Program participation was 25.2 million; total lunches served was 3.6 billion; federal cash payments were \$3.6 billion. Concerns have been raised about Program food not being eaten; it remains on the students' plate and is thrown away.

KEY QUESTIONS : (1) What is the amount of, reasons for, and ways to reduce plate waste in the National School Lunch Program? (2) What is the impact of the 6/13/95 Program regulations on the amount of plate waste? (3) Can published Mathematica study data be used to analyze differences in plate waste in urban/rural schools and among full-pay, reduced-pay, and free lunch participants?

TITLE: FOOD AND AGRICULTURE TACTICAL PLAN FOR THE FOOD STAMP PROGRAM (150252)

BACKGROUND : The Food Stamp Program has long been the cornerstone of federal food assistance programs accounting for \$25 billion, or about 42 percent of USDA's annual expenditures. Congressional plans to reform welfare programs and reduce the deficit have made it even more important to find ways to reduce waste in the Food Stamp Program.

KEY QUESTIONS : What work should be performed by the Food and Agriculture Issue Area over the next two years in order for GAO to adequately respond to Congressional concerns and questions about the Food Stamp Program?

Food and Agriculture

RURAL DEVELOPMENT

TITLE: REVIEW OF TELECOMMUNICATIONS AS A RURAL DEVELOPMENT TOOL (150419)

BACKGROUND : Several federal programs offer grants and loans to rural areas for funding advanced telecommunication projects. But some studies suggest that what rural areas need is far more basic than what is currently being offered. These studies have also shown that most rural areas first need an orientation as to what advanced telecommunications is and how it can be utilized for rural development.

KEY QUESTIONS : 1) What are the principal federal programs to assist rural communities in using advanced telecommunications for economic development? 2) How successful have the programs been? 3) What lessons can be learned from rural areas that have successfully used advanced telecommunications?

TITLE: DEVELOPMENT OF A TACTICAL PLAN FOR THE RURAL DEVELOPMENT SUB-ISSUE AREA (150420)

USDA ORGANIZATION AND MANAGEMENT

TITLE: ASSESSMENT OF USDA'S PROGRESS IN REORGANIZING ITS HEADQUARTERS AND FIELD OFFICE STRUCTURE (150889)

BACKGROUND : As a result of the passage of the Department of Agriculture Reorganization Act of 1994, USDA is undertaking the most massive reorganization in its history. Over the next 5 years USDA will be implementing a variety of plans to consolidate and streamline both headquarters and field operations.

KEY QUESTIONS : 1. What are USDA's specific near and long-term plans for reorganizing/downsizing? 2. What progress has USDA made in implementing the reorganization to date?

Food and Agriculture

OTHER ISSUE AREA WORK FOOD & AGRI.

TITLE: HRA 11: ARE FMHA DISASTER EMERGENCY LOANS AN EFFECTIVE WAY TO PROVIDE ASSISTANCE TO FARMERS WHO HAVE EXPERIENCED NATURAL DISASTERS? (150327)

BACKGROUND : As part of GAO's review of "high-risk" areas, we are examining the Consolidated Farm Service Agency's (CFSA) emergency assistance loans. These loans are made to farmers in areas affected by natural disasters. Although in the past billions of dollars in emergency loans were made and written off every year, currently the agency makes about \$75 million in loans annually.

KEY QUESTIONS : (1) What are the financial risks associated with USDA disaster loans? (2) What are the profiles of the borrowers who receive such loans? (3) How efficiently do USDA field offices process requests for disaster loans?

TITLE: HRA 11: STATUS OF USDA'S BEGINNING FARMER PROGRAM (150334)

BACKGROUND : The Agriculture Credit Improvement Act of 1992 set aside target funds in the regular farm loan program for establishing 2 Beginning Farmer (BF) loan programs--the downpayment farm ownership and the special operating assistance programs--to encourage qualified individuals to enter farming. The Act also required USDA to coordinate assistance with state BF programs.

KEY QUESTIONS : 1) How has USDA implemented the BF legislation and what problems have been encountered? 2) What is the profile of borrowers receiving assistance under the targeted and BF programs? 3) What amount of principal is outstanding under the targeted and BF loan programs and what is the status of the loans?

TITLE: FEDERAL RURAL WATER AND WASTE ASSISTANCE (150416)

BACKGROUND : USDA's Water and Waste Disposal program assists rural communities in acquiring needed water and wastewater systems. The amount of grant funds a project can receive is determined by estimating the "reasonable" average monthly user charge. There is some concern about how program funds are distributed among state offices and how USDA approves and funds projects.

KEY QUESTIONS : (1) How are loan and grant funds allocated to USDA's state offices and what are the strengths and weaknesses of the current process? (2) What changes could be made in the allocation process and how would changes affect fund distribution? (3) How consistently, both within and among states, are loan and grant decisions being made?

Food and Agriculture

OTHER ISSUE AREA WORK FOOD & AGRI.

TITLE: ASSESSMENT OF THE DEPARTMENT OF AGRICULTURE'S RESEARCH PLANNING (150890)

BACKGROUND : USDA spends \$2 billion annually on agriculture research. Nearly half of these funds go to states, where agriculture colleges conduct research and extension services disseminate the results. The remaining funds are used to conduct research at lab's run by USDA's Agricultural Research Service (ARS).

KEY QUESTIONS : 1. What are the types & dollar amounts of agriculture research conducted at federal, state, & private levels? 2. How does USDA establish priorities for agriculture research? 3. Do users of USDA's agriculture research believe that their needs are being met? 4. What are the views of agriculture research users on how effectively research results are disseminated?
