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REPORT TO THE SUBCOMMITTEE ON  
AGRICULTURE - ENVIRONMENTAL AND  
CONSUMER PROTECTION  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES

36



Aspects Of The Beekeeper  
Indemnity Payment Program

B-176563

Agricultural Stabilization and Conservation Service  
Department of Agriculture

BY THE COMPTROLLER GENERAL  
OF THE UNITED STATES

FEB. 13, 1973

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

B-176563

The Honorable Jamie L. Whitten  
Chairman, Subcommittee on Agriculture -  
Environmental and Consumer Protection  
Committee on Appropriations  
House of Representatives

R Dear Mr. Chairman:

We are reporting on our review of selected aspects of the Beekeeper Indemnity Payment Program administered by the Agricultural Stabilization and Conservation Service, Department of Agriculture. We made the review in accordance with your request of June 30, 1972, and subsequent discussions with your representatives.

As agreed, we discussed our findings with agency officials and have incorporated their comments in the report.

Also as agreed, we will subsequently release copies of this report to the Director, Office of Management and Budget; the Senate and House Committees on Government Operations and Appropriations; the Senate Committee on Agriculture and Forestry; the House Committee on Agriculture; and the Secretary of Agriculture. We do not plan to distribute this report further unless you agree or publicly announce its contents.

Sincerely yours,

Comptroller General  
of the United States

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ABBREVIATIONS

ASCS	Agricultural Stabilization and Conservation Service
GAO	General Accounting Office

COMPTROLLER GENERAL'S REPORT TO  
THE SUBCOMMITTEE ON  
AGRICULTURE - ENVIRONMENTAL AND  
CONSUMER PROTECTION  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES

ASPECTS OF THE  
BEEKEEPER INDEMNITY PAYMENT PROGRAM  
Agricultural Stabilization and  
Conservation Service  
Department of Agriculture B-176563

D I G E S T

WHY THE REVIEW WAS MADE

At the request of the Subcommittee Chairman and in accordance with later discussions with his representatives, the General Accounting Office (GAO) reviewed the Beekeeper Indemnity Payment Program administered by the Agricultural Stabilization and Conservation Service to determine the:

- Adequacy of the Service's regulations for effectively administering the program.
- Adequacy of the training of Service bee loss inspectors.
- Propriety of payment rates established by the Service.
- Probable trend in program costs.

GAO also obtained information on program payments and unpaid claims which GAO believes will be of interest to the Subcommittee. GAO reviewed the administration of the program in five States: Arizona, Arkansas, California, Louisiana, and Texas.

Background

The Agricultural Act of 1970 authorizes indemnity payments to beekeepers who, through no fault of their own, lost honeybees after January 1, 1967, because of the use of pesticides registered and approved for use by the Federal Government.

Tear Sheet

Each payment is to be determined on the basis of the net loss sustained by the beekeeper. Claim for payment must be accompanied by an inspection report prepared by a State or county apiarist or a Service employee.

As of January 24, 1973, the Service had paid about \$6.6 million covering bee losses since 1967. At that time unpaid claims for calendar years 1967-71 totaled \$5.2 million, \$2.1 million of which the Service estimated would eventually be paid. The program is carried out mainly through the Service's county offices.

FINDINGS AND CONCLUSIONS

Adequacy of program regulations

Although program regulations and implementing instructions are generally adequate, the instructions are unclear in the following areas.

Instructions require that a bee loss inspection be made within a reasonable time after a loss but do not specify what constitutes a reasonable time. The instructions do not require the Service to make sure that a timely inspection is made.

Entomologists told GAO that, to accurately determine the degree and cause of a bee loss, an inspection should be made within 14 days after the loss because available evidence of the loss rapidly deteriorates.

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In Arkansas, Louisiana, and Texas, the time between the date of loss and the date of inspection seemed to be inordinately long in many instances. In Louisiana, for example, about 56 percent of the 393 inspections in 1972 were made between 15 and 56 days after the reported dates of loss.

In Louisiana the Service had no control over the timing of inspections because all losses were reported to and all inspections were made by the Louisiana Department of Agriculture, although Service instructions require that all losses be reported directly to its county offices. (See p. 7.)

Instructions contain a list of several types of evidence that beekeepers can submit as proof that the losses were caused by the use of a Government-approved pesticide. The instructions do not specify, however, whether any one type or any combination of these types of evidence is to be accepted. As a result, some county offices accepted certain evidence while others did not. (See p. 9.)

#### Adequacy of training

Service instructions require that a State or county apiarist or a Service employee inspect bee losses. Following a recommendation in a May 1972 report by Agriculture's Office of the Inspector General, the Service began training selected employees to become bee loss inspectors. Service employees were inspecting bee losses in Arizona, California, and Texas. State apiarists inspected the losses in Arkansas and Louisiana.

State entomologists and other knowledgeable individuals trained Service employees. Training gen-

erally consisted of a day of classroom instruction and, in Arizona and California, a day of field instruction during which the trainees accompanied instructors on inspection trips.

Employees were taught about bees, their behavior, and the causes of bee losses and were trained to distinguish between losses due to pesticides and other causes and to determine the degree of damage.

Beekeepers, State entomologists, and Service employees told GAO that, in their opinions, this training was adequate. (See p. 12.)

#### Propriety of payment rates

The agency has authorized two methods for calculating a bee loss: (1) the loss of income method and (2) the flat rate per colony method. The flat rate per colony method, which was the only one used in the nine counties included in GAO's review, provides for payment of standard amounts--ranging from \$5 to \$15 per colony--depending on degree of damage. This amount is intended to cover replacement costs and, to a varying extent, loss of income.

GAO's discussions with agency officials, beekeepers, and representatives of beekeeper associations and its analysis of available cost information indicated that program payment rates were generally sufficient to cover replacement costs and some loss of income. If any items did not need to be or were not replaced, the payment would cover an additional part of a beekeeper's lost income. (See p. 13.)

#### Probable trend of program costs

Because GAO visited only five States and because most payments for

1972--the second year of the program--had not been made at the time of its fieldwork, GAO was unable to determine a trend for program payments. Discussions with Service employees and beekeepers indicated, however, that in Arizona, California, and Texas, program payments could decline in future years and that, in Arkansas and Louisiana, claims for payments could increase.

Although Service officials were uncertain about the probable trend in program costs, they had budgeted \$2.5 million each for 1972 and 1973, slightly less than the amount that was paid for 1971 bee losses. (See p. 16.)

Program payments and unpaid claims

Of the \$6.6 million in program payments which had been made in 46 States, about 79 percent was paid to beekeepers in 10 States. About 71 percent of the payments had been made to 12 percent of the beekeepers receiving payments. Also, as of January 24, 1973, about \$4.4 million of the \$5.2 million in unpaid claims were concentrated in five States. (See p. 18.)

RECOMMENDATIONS

The Service should revise its program instructions to:

- Provide guidelines to help county offices establish reasonable time limits within which beekeepers must report their bee losses and the related inspections must be made.
- Provide that the county offices make sure that bee loss inspections are made within the prescribed time limits.
- Provide more specific guidance to county offices on whether they are to accept any one type or any combination of the types of evidence specified in the instructions as proof of damage by an approved pesticide. (See p. 10.)

AGENCY ACTIONS

Agency officials agreed to revise the program instructions in line with GAO's recommendations. (See p. 11.)

## CHAPTER 1

### INTRODUCTION

At the request of the Chairman, Subcommittee on Agriculture - Environmental and Consumer Protection, House Committee on Appropriations, and in accordance with later discussions with his representatives, we reviewed the Beekeeper Indemnity Payment Program administered by the Agricultural Stabilization and Conservation Service (ASCS), Department of Agriculture, to determine the:

- Adequacy of ASCS regulations for effectively administering the program.
- Adequacy of the training of ASCS bee loss inspectors.
- Propriety of payment rates established by ASCS.
- Probable trend in program costs.

We also obtained certain information on program payments and unpaid claims which we believe will be of interest to the Subcommittee.

### BEEES AND PESTICIDES

Beekeepers keep bees (1) primarily to produce honey, (2) to pollinate crops, and (3) to sell to others. Pesticide poisoning of bees is a major problem for beekeepers.

Bees from a colony may roam up to 5 miles from their hives. The extent of pesticide damage to a colony is affected by such factors as the number of bees from the colony in or near a treated area, the time of day the pesticide is applied, the method of application, the wind drifts, and the toxicity of the pesticide.

Bees can be poisoned when they collect pollen from pesticide-treated or drift-contaminated plants or when they come in contact with the pesticides on the plant or in the air. The brood--the immature bees in the hive--can be damaged if fed contaminated pollen.

DESCRIPTION AND ADMINISTRATION  
OF THE PROGRAM

The Beekeeper Indemnity Payment Program was authorized by the Agricultural Act of 1970 (7 U.S.C. 135b note). The Secretary of Agriculture is authorized to make indemnity payments to beekeepers who, through no fault of their own, lost honeybees after January 1, 1967, because of the use of pesticides which had been registered and approved for use by the Federal Government under the Federal Insecticide, Fungicide and Rodenticide Act, as amended (7 U.S.C. 135).<sup>1</sup>

The enabling legislation provides that each payment is to be determined on the basis of the beekeeper's net loss. ASCS instructions provide that a beekeeper has until April 1 of each year to file his claim or claims with the ASCS county offices for losses sustained in the previous calendar year. Each claim must be accompanied by an inspection report prepared by a State or county apiarist or by an ASCS employee. The beekeeper generally pays for the inspection. The instructions provide also that ASCS will pay each beekeeper only once a year for all his claims for that year.

The program is funded by annual appropriations. From May 1971, when the first appropriation was made, through December 1972, the Congress had appropriated a total of \$14 million for the program. As of January 24, 1973, \$6.6 million, covering bee losses since 1967, had been paid. At that time unpaid claims for calendar years 1967-71 totaled \$5.2 million, \$2.1 million of which ASCS estimated would be paid.

The program is carried out mainly through the ASCS county offices and county committees under the supervision of the ASCS State offices and State committees and the ASCS Deputy Administrator, State and County Operations.

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<sup>1</sup>On December 2, 1970, in accordance with Reorganization Plan No. 3 of 1970, responsibility for administering the act was transferred from the Secretary of Agriculture to the Administrator of the Environmental Protection Agency.



## CHAPTER 2

### ADEQUACY OF PROGRAM REGULATIONS

ASCS regulations and implementing instructions, significantly revised in June 1972, set forth the terms and conditions under which the program is to be administered and indemnity payments are to be made.

Although program regulations and implementing instructions are generally adequate, the instructions need to specify (1) when beekeepers should report their losses, (2) the time within which inspections must be made to determine the degree and cause of losses, (3) that the county offices make sure that timely inspections are made, and (4) whether county offices are to accept any one type or any combination of the types of evidence specified in the instructions as proof that losses were caused by Government-approved pesticides.

Because the instructions are unclear on these matters, considerable time sometimes elapsed between the date a bee loss occurred and the date the loss was inspected, which made verification of the loss difficult or impossible. Also, some county offices accepted certain evidence as proof that a loss was caused by the use of a Government-approved pesticide while others did not.

### REPORTING AND INSPECTION OF BEE LOSSES

Program instructions require that an inspection report, showing the cause, extent, and date of the loss and the location of the apiary, be sent to the county office with the beekeeper's application for payment. The instructions require that the inspection be made within a reasonable time after a loss but do not specify what constitutes a reasonable time. Also the instructions do not require county offices to make sure that timely inspections are made.

Entomologists told us that, to accurately determine the degree and cause of a bee loss, an inspection should be made within 14 days after the loss because evidence of the loss rapidly deteriorates.

In the five States we visited, either ASCS employees or State apiarists were making inspections. The inspection reports on 1971 and 1972 losses which we reviewed included all the information required. In some instances, however, the time between the date of loss and the date of inspection seemed to be inordinately long.

For example, in one county in Texas, a State where ASCS employees inspect losses, the average time in 1971 between the date of loss and the date of inspection for seven claims averaged 81 days. In 1972 only two inspections had been made in this county at the time of our fieldwork, but one had a time lapse of 88 days between loss and inspection. Information available at the county office showed that the inspections had all been made within 1 week after the county office was notified of the losses. The obvious cause of the time lapses, therefore, was that the beekeepers had not promptly reported their losses to the county office.

The Louisiana county offices did not have any control over the timing of inspections. All losses were reported to and all inspections were made by the Louisiana Department of Agriculture, although ASCS instructions require that all losses be reported directly to the county offices. Louisiana had two inspectors for the entire State who, as of December 4, 1972, had made 393 inspections of 1972 losses.

Inspection reports in Louisiana showed that 56 percent of the 393 inspections were made between 15 and 56 days after the reported dates of loss. The remaining inspections were made within 15 days. Information obtained from the inspectors and the beekeepers, however, indicated that sometimes the time lapse between the actual date of loss and the date of inspection may have been even longer because the date of loss used in the inspection report was the date of the last application of a pesticide. They said that the last application may not necessarily have been the one causing the loss.

The Arkansas State Apiary Board, as of November 9, 1972, had made 178 inspections of 1972 losses. For 41 of the inspections we could not determine the time lapse. Of the remaining 137 inspections, 62 were made between 15 and 25 days after the Apiary Board was notified of the loss.

ASCS instructions should specify what constitutes a reasonable time period within which inspections are to be made and should require beekeepers to report their losses promptly so that the time target can be met.

To control the timing of inspections, the instructions should require the county offices to make sure that timely inspections are made either by ASCS employees or by inspectors from appropriate State or county agencies. To do this county offices must enforce the requirement that all bee losses be reported directly to them.

EVIDENCE THAT LOSS WAS CAUSED BY  
USE OF AN APPROVED PESTICIDE

To provide ASCS county offices with guidance in determining the cause of bee losses, instructions require beekeepers to submit such evidence as:

- Reports of chemical tests on the dead bees.
- Records, signed statements, or reports of pesticide applicators or farmers who either applied the pesticide or contracted for its application.
- Records, signed statements, or reports of local, State, or Federal agencies or of colleges or universities verifying information on pesticide application in the locality of the beekeeper's apiaries.

The instructions do not specify, however, whether any one type or any combination of these types of evidence is to be accepted as proof that the loss was caused by the use of a Government-approved pesticide. As a result, some county offices accepted certain evidence as proof while others did not.

County offices in Arizona and California accepted local or State agency records, signed statements, or reports on pesticide application in the localities involved. County offices in Louisiana and Texas, however, did not accept such statements or reports but instead required statements signed by farmers in the vicinity of the colonies or oral statements obtained from them by ASCS officials.

Beekeepers in Louisiana and Texas told us that this requirement was often unwieldy and difficult to meet because a large beekeeper with colonies in various locations surrounded by many farms might have to obtain many signed statements.

Beekeepers, State inspectors, and ASCS employees in these two States told us that farmers were generally reluctant to sign statements or admit to using pesticides because they feared either civil suit by the beekeeper or a Government ban on the use of certain pesticides.

ASCS officials in Arkansas told us that they also required statements from farmers but that they had had less difficulty in obtaining them because the farmers generally included disclaimers of liability in the statements. If the farmers refused to sign the statements, the county offices accepted statements from county agricultural agents.

To provide greater consistency among State and county offices in their administration of the program, ASCS instructions should clarify whether county offices are to accept any one type or any combination of the types of evidence specified in the instructions as proof of loss by pesticide damage.

#### RECOMMENDATIONS TO THE SECRETARY OF AGRICULTURE

We recommend that ASCS revise its operating instructions to:

- Provide guidelines to help county offices establish reasonable time limits within which beekeepers must report their bee losses and the related inspections must be made.
- Provide that the county offices make sure that bee loss inspections are made within the prescribed time limits.
- Provide more specific guidance to county offices as to whether they are to accept any one type or any combination of the types of evidence specified in the instructions as proof of damage by an approved pesticide.

ASCS officials agreed to revise the instructions in line with our recommendations.

### CHAPTER 3

#### ADEQUACY OF THE TRAINING OF

#### ASCS BEE LOSS INSPECTORS

Following a recommendation in a May 1972 report by the Department's Office of the Inspector General, ASCS began training selected employees to become bee loss inspectors. Beekeepers who had losses, State entomologists, and ASCS employees told us that, in their opinions, such training was adequate.

ASCS operating instructions require that a State or county apiarist or an ASCS employee inspect bee losses. ASCS employees were inspecting bee losses in Arizona, California, and Texas. In Arkansas and Louisiana, State employees responsible for inspecting bees for diseases were also inspecting bee losses.

ASCS employees in Arizona, California, and Texas were trained by State entomologists and other knowledgeable individuals to inspect bee losses. In Arizona and California the training consisted of 1 day of classroom instruction and 1 day of field instruction during which the trainees accompanied the instructors on inspection trips. In Texas the training consisted of 1 day of classroom instruction.

The employees were taught about bees, their behavior, and the causes of bee losses and were trained to distinguish between losses due to pesticides and other causes and to determine the degree of damage--moderate, severe, or destroyed.

Some ASCS county employees told us that they had had a problem initially in determining the degree of damage but that, as they gained experience, this problem was being eliminated. State inspectors and State entomologists agreed that determining the degree of loss involved some judgment and that judgment generally improved with experience.

## CHAPTER 4

### PROPRIETY OF PAYMENT RATES

Our discussions with ASCS officials, beekeepers, and representatives of beekeeper associations and our analysis of available cost information indicated that indemnity payment rates were generally sufficient to cover replacement costs and some loss of income.

According to the enabling legislation, the indemnity payment is to compensate the beekeeper for his net loss. ASCS has authorized two methods for calculating the loss: (1) the loss of income method and (2) the flat rate per colony method.

Under the loss of income method, a beekeeper who has maintained adequate records of his prior years' operations is to calculate his net loss by determining the difference between his actual income per colony in the year of the loss and his average income per colony in a representative 2-year period, with an allowance for replacement of damaged bees. No payments had been made under the loss of income method in the nine counties we visited. ASCS employees told us that most beekeepers had not maintained records adequate to support claims under this method.

The flat rate per colony method, which was being used in the counties we visited, provides for payment of a standard amount per colony, depending on the degree of damage. This amount is intended to cover replacement costs and, to a varying extent, loss of income.

The following table shows the amounts ASCS authorized to be paid under the flat rate per colony method for losses before June 10, 1972, and the amounts authorized for losses on and after that date. ASCS revised the amounts after a year of program experience and partially in response to an audit by the Department's Office of the Inspector General that questioned the rate structure.

Amounts authorized to be paid  
for bee losses

	Before June 10, 1972	On and after June 10, 1972
Colony destroyed	\$20.00	\$15.00
Colony severely damaged	15.00	10.00
Colony moderately damaged	5.00	5.00
Queen nucleus destroyed	7.50	5.00
Queen nucleus severely damaged	5.00	No payment

ASCS officials and representatives of two beekeeper associations told us that generally the revised amounts were sufficient to keep a beekeeper in business if he took reasonable care to minimize losses from pesticides.

Beekeepers in all five States told us that they considered the revised amounts to be reasonable to replace bees and other items--frames and wax--damaged by pesticides. Some beekeepers told us that they were able to replace the bee losses in damaged colonies without incurring out-of-pocket costs by dividing the surviving healthy colonies (splitting one colony to make two). This splitting would, however, reduce honey production.

Beekeepers in the five States said that the cost of replacing a totally destroyed colony depended on the extent to which surviving colonies could be divided. Using catalogs, a trade publication, and information furnished by beekeepers, we developed the following costs for replacing a destroyed colony.

<u>Item</u>	<u>Estimated cost</u>
3 pounds of bees with queen	\$ 8.75
10 standard frames	3.95
9 sheets of wax for honeycomb	<u>1.80</u>
Total	<u>\$14.50</u>

This analysis indicates that the \$15 payment for a destroyed colony is adequate to cover replacement costs and some loss of income. Also, to the extent that any of the items need not be or are not replaced, the payment will cover an additional part of a beekeeper's lost income.



ASCS regulations provide that indemnity payments be reduced when beekeepers receive payments from such sources as insurance and legal action. We noted no such instances during our fieldwork. ASCS officials told us that insurance for bee losses was generally not available but that some beekeepers had obtained restitution through court actions.

## CHAPTER 5

### PROBABLE TREND OF PROGRAM COSTS

Because we visited only five States and because most payments for 1972--the second year of the program--had not been made at the time of our fieldwork, we were unable to determine a trend for program payments. Discussions with ASCS employees and beekeepers indicated, however, that in three of the five States we visited, program payments could decline in future years and that, in the other two States, claims for payments could increase.

ASCS headquarters officials were uncertain about the probable trend in program costs, but they had budgeted \$2.5 million each for 1972 and 1973, slightly less than the amount that had been paid as of January 24, 1973, for 1971 losses.

The number of bee colonies in the United States has been slowly declining in the past 5 years. The following table, based on data obtained from the Department's Statistical Reporting Service, shows the decrease in the number of colonies in the Nation and in the five States included in our review for the period 1967-71.

	<u>Number of bee colonies</u>					<u>Total</u>
	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>decrease</u>
	-----(thousands)-----					
Arizona	88	83	75	59	53	35
Arkansas	92	90	92	93	91	1
California	559	565	559	559	531	28
Louisiana	86	83	82	82	70	16
Texas	229	227	232	244	222	7
U.S. total	4,819	4,770	4,737	4,592	4,346	473

Beekeepers told us that this decline resulted primarily from increased pesticide use. According to these beekeepers, the decline slowed in 1972 as the price of honey increased, keeping beekeepers in business.

ASCS employees and beekeepers in Arizona, California, and Texas told us that they expected payments to decline in their States primarily because of the reduction in bee population caused by pesticide use and the reduction in payment rates for losses occurring on and after June 10, 1972. (See p. 14.) They told us also that many beekeepers were either getting out of the business or reducing their operations. Beekeepers told us also that few people were entering the industry.

ASCS employees and beekeepers in Louisiana and Arkansas told us that indemnity payments should increase in these States because more beekeepers were aware of program requirements for evidence to support claims. These individuals said that beekeepers would be better able to support the full extent of their losses with the required evidence and that, as a result, some beekeepers were expected to file claims for the first time in 1972.

CHAPTER 6

PROGRAM PAYMENTS AND UNPAID CLAIMS

PROGRAM PAYMENTS

The following table shows the total program payments as of January 24, 1973.

<u>For losses incurred in</u>	<u>Payments</u>
1967	\$ 892,000
1968	878,000
1969	896,000
1970	962,000
1971	2,739,000
1972 (note a)	<u>248,000</u>
Total	<u>\$6,615,000</u>

<sup>a</sup>Few payments for 1972 losses had been made as of January 24, 1973, primarily because beekeepers had not yet submitted claims.

Although program payments had been made in 46 States, about 79 percent of the total program payments, as shown in the following table, were made to beekeepers in 10 States.

<u>State</u>	<u>Payments</u>	<u>Number of payees</u>
Washington	\$1,109,660	57
California	1,102,632	134
Arizona	975,925	85
Mississippi	529,309	7
Idaho	400,195	41
Texas	230,836	119
Arkansas	227,535	33
Wisconsin	217,290	74
Alabama	216,112	44
Louisiana	<u>207,847</u>	<u>57</u>
Total	<u>\$5,217,341</u>	<u>651</u>

Also, most of the payments had been made to a small percentage of the beekeepers receiving payments. As shown in the following table, 150 beekeepers, or about 12 percent of those receiving payments, had received 71 percent of the total payments.

<u>Payment range</u>	<u>Payees</u>		<u>Payments</u>		Average amount per payee (note a)
	<u>Number</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	
\$1 to \$5,000	996	79	\$1,118,000	17	\$ 1,122
\$5,001 to \$10,000	109	9	790,000	12	7,248
Over \$10,000	<u>150</u>	<u>12</u>	<u>4,707,000</u>	<u>71</u>	31,380
Total	<u>1,255</u>	<u>100</u>	<u>\$6,615,000</u>	<u>100</u>	

<sup>a</sup>Represents amounts paid, as of January 24, 1973, for bee losses sustained during the 6-year period 1967-72.

Of the 150 payees receiving over \$10,000, 17 received over \$50,000, including five who were paid over \$100,000. The largest payment was about \$450,000.

### UNPAID CLAIMS

About \$4.4 million of the \$5.2 million in unpaid claims as of January 24, 1973, were concentrated in five States: Arizona, California, Oregon, Texas, and Washington. These claims covered bee losses for calendar years 1967-71. ASCS officials estimated that, on the basis of past experience, the \$5.2 million in unpaid claims would eventually be settled for \$2.1 million.

ASCS officials told us that claims remained unpaid primarily because beekeepers were having difficulty in furnishing the evidence required. For example, physical evidence, pertinent records and reports, or statements based on personal knowledge of farmers or others often did not exist or were difficult to obtain for losses occurring as far back as 1967. As evidence is acquired or determinations are made that the necessary evidence cannot be obtained, the unpaid claims are being settled, generally at less than the full amounts claimed.

## CHAPTER 7

### SCOPE OF REVIEW

We made our review at ASCS headquarters in Washington, D.C., and in five of the 10 States where program payments were the largest. The five States were Arizona, Arkansas, California, Louisiana, and Texas. We reviewed applicable legislation; ASCS regulations, implementing instructions, policies, procedures, and practices; and reports of the Department's Office of the Inspector General relating to the program.

We visited the ASCS State office in each State and nine ASCS county offices<sup>1</sup> where we reviewed records on selected payments to beekeepers during 1971 and 1972. Our review of payments was limited primarily to 1971 payments because most 1972 payments had not been made when we completed our fieldwork. We also interviewed employees at the ASCS State and county offices, beekeepers, and officials of beekeeping associations and of the State agencies responsible for regulating beekeeping activities in the five States.

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<sup>1</sup>The county offices were in Maricopa and Yuma Counties, Arizona; Lee County, Arkansas; Imperial County, California; Avoyelles and St. Landry Parishes, Louisiana; and Brazoria, Lavaca, and Wharton Counties, Texas.

