

GAO

Report to the Chairman, Committee on
Agriculture, Nutrition, and Forestry
U.S. Senate

April 1998

FARM PROGRAMS

Administrative Requirements Reduced and Further Program Delivery Changes Possible





**United States
General Accounting Office
Washington, D.C. 20548**

**Resources, Community, and
Economic Development Division**

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April 20, 1998

The Honorable Richard G. Lugar
Chairman, Committee on Agriculture,
Nutrition, and Forestry
United States Senate

Dear Mr. Chairman:

The Federal Agriculture Improvement and Reform Act of 1996,¹ commonly known as the FAIR act, significantly changed many of the U.S. Department of Agriculture's (USDA) farm programs. The most far-reaching change concerned the federal government's role in supporting the production of major crops (wheat, feed grains, cotton, and rice). The act discontinued the complex programs in which farmers received payments in exchange for accepting federal controls over crops and the amount of acreage they could put into production. Instead of participating in these programs, farmers sign up once to receive fixed annual payments established in production contracts and generally can plant whatever crops they choose. The act also made a number of changes to other farm programs. USDA's Farm Service Agency (FSA) is generally responsible for administering the farm programs.

You expressed interest in examining the administrative requirements placed on farmers participating in the revamped farm programs, as well as USDA's efficiency in delivering program services to farmers.² In particular, you asked us to determine (1) the extent to which the changes to the farm programs resulting from the 1996 act have reduced farmers' administrative requirements and (2) the possibility of having USDA use alternative delivery methods to more efficiently administer farm programs.

Results in Brief

Farmers are now generally spending less time on administrative requirements than they did before the 1996 act. The number of required visits to county offices has declined, as has the amount of time spent completing paperwork for the farm programs.

¹P.L. 104-127 (Apr. 4, 1996).

²For the purpose of this report, administrative requirements are defined as the time farmers spend on paperwork and personal visits to the county offices administered by the U.S. Department of Agriculture's Farm Service Agency.

The Farm Service Agency could transact more business with farmers through the mail and by telephone and computer, thus increasing the efficiency of its operations. Using alternative delivery methods should allow the U.S. Department of Agriculture to operate with fewer staff and offices, which could reduce expenses by millions of dollars. While we found no statutory or regulatory requirements that direct farmers to visit county offices, changing delivery methods to rely more on such approaches will require fundamental changes in the Farm Service Agency's long-standing practices and relationships with farmers. In particular, such methods would reduce farmers' personal contact with county office staff and place greater administrative responsibility on farmers to ensure that required paperwork is completed and submitted in a timely fashion.

Background

FSA is USDA's primary federal agency charged with administering farm programs at the local level.³ FSA's fiscal year 1997 salary and expenses were \$956 million. This amount provided funding for 17,269 federal and nonfederal employees at the national office, 50 state offices, and 2,440 county offices. In fiscal year 1997, more than 1.6 million farmers participated in USDA's farm support programs and received more than \$7.4 billion in benefits.

Most farm support programs are implemented at the county office level under the direction of a county committee of locally elected farmers. This county committee hires a county executive director, who manages the local county office staff. As a condition of participation in any USDA farm program, farmers generally visit their FSA county office in person to identify the particular tract of cropland that is being enrolled in a program. This information ties the individual to the tract of land in order to ensure compliance with various statutes dealing with program eligibility, payment limitations, and conservation requirements. FSA employees review program requirements with the participating farmer and complete most of the paperwork that the farmer signs. Much of the paperwork associated with farm programs consists of contractual agreements between the farmer and USDA. For example, the marketing assistance loan form is a legal agreement between USDA and the farmer in which the farmer agrees to repay the loan within a specified period of time.

³FSA was created in 1994, when the Department reorganized its operations, incorporating programs from the Agricultural Stabilization and Conservation Service and the Farmers Home Administration into one agency. In 1995 and 1996, the Federal Crop Insurance Corporation, now the separate Risk Management Agency, was part of FSA as well.

The current county-based delivery structure for farm program benefits originated in the 1930s, when the first agricultural acts established farm support programs. At that time, more than one-fourth of Americans were involved in farming, and the lack of an extensive communications and transportation network limited the geographic boundaries that could be effectively served by a single field office.

Over the past several years, the Department has made a number of changes to the delivery structure that were recommended by us and others.⁴ USDA has collocated agencies; consolidated agencies; closed smaller, less efficient county offices; and streamlined some program requirements. However, despite advancements in technology and communications, farmers generally still deal with USDA in person at their local FSA office. See appendix I for more information on the recent changes USDA has made.

Changes Resulting From 1996 Act Have Reduced the Administrative Requirements for Farmers

Farmers who participated in USDA's commodity programs for major crops saw a reduction in their administrative requirements because of the program changes resulting from the 1996 act. The savings in time spent on paperwork are due mainly to farmers' not having to make decisions about program participation and planting alternatives. The reduction in the number of visits results from eliminating the requirements that farmers report the number of acres they plant, except for fruits and vegetables. For farm programs other than the commodity programs, we found no substantial change in the amount of time farmers spend on paperwork and the number of visits they make to county offices.

Administrative Requirements for Commodity Program Participation Were Reduced by the 1996 Act

The 1996 act significantly changed USDA's administrative requirements for the commodity programs. Farmers saw their time spent on paperwork reduced from a minimum of 1-1/2 hours to about 15 minutes annually and the number of office visits reduced from twice to once a year.

Under the federal commodity programs in existence until 1995, USDA regulated agricultural production by controlling the crops that farmers could grow and the amount of acreage that they could plant. USDA provided annual payments to participating farmers that were based on annual calculations involving historical acreage and yields devoted to agricultural

⁴U.S. Department of Agriculture: Interim Report on Ways to Enhance Management (GAO/RCED-90-19, Oct. 26, 1989).

production, market prices for crops, and support prices set by the Congress and the Secretary of Agriculture.

Signing up for the programs normally required that farmers visit the county office annually in order to determine the optimal planting option that they should follow for that year. More specifically, if farmers decided to participate in a commodity program, they selected from several available planting options, such as (1) idling a percentage of land, receiving benefits, and producing a commodity or (2) not planting anything and receiving 92 percent of the benefits. FSA staff completed participation worksheets and calculated benefits using different scenarios as many times as the farmers deemed necessary to determine which annual program provisions best met their needs. After the farmers selected an option, FSA staff generated the contract for their signature.

Subsequently, the farmers returned to the office to report the acreage actually planted on the farm. The farmer reported the types of crops planted, the number of acres of each crop planted, and the number and location of acres that were not planted. Farmers could use FSA's aerial photographs to identify fields planted to program crops or idled. Because incorrect reporting could lead to the loss of benefits, farmers often requested measurement services from FSA to guarantee compliance. According to county office staff and participating farmers, these sign-up and acreage reporting visits took a minimum of 1-1/2 hours altogether and two visits to the county office.

The 1996 act eliminated annual sign-ups for the commodity programs and allowed eligible farmers to enter cropland previously enrolled in USDA's commodity programs into 7-year production contracts. The new program is far less complicated than the commodity programs because once farmers chose to participate in the 7-year program, annual decisions on participation or planting alternatives were no longer necessary. Instead, farmers receive fixed annual payments that are based upon the enrolled land's previous crop production history. Furthermore, farmers are no longer required to report the acreage planted unless they plant fruits and vegetables.⁵

In some cases, farmers do not need to visit the county office during the duration of the 7-year contract. Farmers who own and operate their cropland could make payment designations for all 7 years of the contract

⁵Farmers participating in other programs such as the Quota Tobacco, Quota Peanut, and the Noninsured Crop Disaster Assistance Program are still required by statute to file acreage reports.

during their initial visit. However, many farmers who lease land will visit the county office annually because payment designations can be made only for the length of the lease. Because most farmers lease cropland for one season (1 year) at a time, they are required to visit the county office annually to designate the cropland they will farm in order for FSA to determine the payments they are eligible for. According to the farmers and county office staff we interviewed, this process generally involves one visit of about 15 minutes.

Administrative Requirements for Other USDA Farm Support Programs Were Generally Not Affected by the 1996 Act

The 1996 act generally did not change administrative requirements for other farm support programs, such as the Conservation Reserve Program (CRP), direct farm loans, and the Noninsured Crop Disaster Assistance Program (NAP). Accordingly, the amount of paperwork associated with these programs generally did not change. The number of participants in these programs is relatively small in comparison with the number of participants in the commodity programs. For example, in 1996, 1.6 million farmers signed production contracts and 64,000 farmers participated in CRP.

See appendix II for more information on the administrative requirements associated with these other farm support programs.

FSA Could Use Alternative Delivery Methods, but Such Changes Would Require Fundamental Shifts in Its Relationship With Farmers

FSA could use alternative methods—such as mail and telecommunications—to enroll farmers in programs and deliver program benefits more efficiently. However, shifting to alternative delivery methods would require FSA to change its long-standing tradition of providing personal service to farmers and would shift the burden of completing many administrative requirements to farmers.

USDA Could Use Alternative Methods to Deliver Farm Support Programs

USDA could use a number of alternatives that could improve the efficiency of its program delivery. These could include greater use of the U.S. mail, telecommunications, and computer technologies. Generally, using these resources should allow USDA to operate with fewer staff and offices and could save millions of dollars annually. However, absent detailed study, the extent to which delivery efficiencies would be achieved is uncertain.

We found no statutory or regulatory requirements that direct farmers to visit a county office in order to meet paperwork requirements. Furthermore, while it may be desirable for farmers to visit the county office to identify cropland and ownership when initially enrolling in USDA farm programs, once enrolled, farmers could obtain the forms they need and comply with program requirements by using alternative methods, such as the mail, telephone, or computers.

During the course of our review, we talked to farmers who indicated that they had, or could have, used these alternatives to conduct business with FSA. Several farmers we talked with already conducted some of their business with FSA by mail, such as enrolling acreage coming out of CRP in a new production contract. However, most of the farmers stated that because the office was conveniently located, they preferred to conduct business in person.

Our discussions with county executive directors and farmers also suggest that more opportunities exist to use these alternative methods to conduct business. For example, a participant could mail acreage reports to the county office, call the office to apply for assistance, and receive benefits (if qualified) electronically without ever visiting the county office. In the case of the direct loan program, a farmer could complete the loan application on a computer and send this information electronically to FSA for approval. Institutions such as the Farm Credit System—a commercial lender that provides credit to agricultural producers and cooperatives—now accept farm loan applications over the Internet. The use of alternatives such as these could reduce the number of visits farmers make to local offices but will not completely eliminate the need for FSA staff to visit farms to inspect and verify loan collateral and carry out compliance activities.

Federal agencies and private companies with much larger customer bases than FSA already use some of these alternative delivery methods to reduce the need for customers to visit an office. For example, the Internal Revenue Service has used the U.S. mail for years and now allows individuals to file tax returns electronically or by telephone and deposits refunds directly into customers' bank accounts. The Social Security Administration has a free telephone service to answer questions and handle simple transactions, such as a change of address. Banks use automatic teller machines to conduct simple transactions, and individuals can apply for loans using the telephone. Similarly, FSA could make greater

use of the mail and telecommunications to deliver farm programs to reduce the need for farmers to visit a county office.

Using alternative delivery methods should allow USDA to operate with fewer staff and offices, which could reduce personnel expenses by millions of dollars. For every staff-year reduced, FSA could save more than \$32,000 in personnel expenses. However, the actual efficiencies attained would depend largely on how USDA restructured its operations using alternative delivery methods.

Alternative Delivery Methods Would Need to Overcome Long-Standing Cultural Relationship

Changing the current delivery system, which is based on county offices, can only occur with a fundamental shift in the long-standing practices and relationships that FSA has with participating farmers. While farmers we talked to said that they could conduct business by mail, telephone, or computer, they generally prefer the personal service they receive at the county office. This is in part because many farmers rely on FSA staff to help them fill out forms for the program.

FSA county offices have long provided a high level of personal service to farmers. Historically, this service has included reminding farmers 15 days prior to the ending date of a sign-up period that they had not enrolled in the current year's commodity program. Likewise, farmers have been able to walk into a county office without an appointment to receive service.

Shifting to the use of alternative delivery methods may reduce FSA's costs of operation but would have several effects that could be considered undesirable. First, because farmers would receive less personal assistance from FSA staff, alternative delivery methods would place greater responsibility on farmers for knowing which programs are available and what the procedures are for enrolling in them. For example, if FSA consolidated its operations into fewer locations and made greater use of the mail, telephone, and computers, FSA staff could be reduced, and fewer staff would be available to meet face-to-face with farmers and complete their paperwork. The available FSA staff could still be used to carry out required functions, such as explaining program requirements, processing applications, and determining program eligibility.

Second, the closure of county offices that could result from alternative delivery methods would increase USDA's distance from many farmers. This increase would probably have the biggest impact on farmers who are members of a minority and those with small farms, who generally have

fewer alternative resources available to assist them and may have the greatest need for USDA's assistance. Minority farmers have criticized USDA recently for not providing adequate service to them. In addition farmers, who as a group are generally older, may not be able to drive greater distances in order to obtain whatever personal service is available.

Third, alternative delivery methods could result in less local control. FSA officials told us that farmers who serve on local committees are a valuable resource because they know the farmers in their county and help monitor their compliance with program requirements.

In addition to these consequences, many farmers may not have access to the technology needed to conduct business with alternative methods. According to a recent USDA survey, only 30 percent of farmers own a computer. In addition, because farmers are normally located in rural areas, local access to the Internet may not be available.

Conclusions

The role of the county office and its relationship to farmers has not changed significantly since USDA began delivering programs at the local level in the 1930s. Even though improvements have been made in the transportation and communications infrastructure, and the number of farmers living in rural America has declined, USDA continues to provide the same kind of personalized service in the county office that it did 60 years ago. However, this service comes at a cost of almost \$1 billion annually. While many farmers prefer this kind of service, some taxpayers may be unwilling to support its high cost over the long term. Using alternative delivery methods should allow USDA to operate with fewer staff and offices, which could reduce personnel expenses by millions of dollars.

However, any changes in USDA's field office structure need to take into account the culture that has existed for decades at the county office level. Making significant changes to this structure to reduce government expenses and improve program efficiency could increase the administrative requirements for, and thereby the costs to, farmers who participate in farm programs.

Recommendation to the Secretary of Agriculture

Although farmers prefer the current level of personalized service, continued pressure to reduce federal expenditures requires USDA to look for ways to deliver these services more efficiently. Accordingly, we recommend that the Secretary of Agriculture direct the Administrator of

the Farm Service Agency, in coordination with the Natural Resources Conservation Service and the Rural Development mission area (the Farm Service Agency's Service Center partners), to study the costs and benefits of using alternative delivery methods to accomplish mission objectives.

Agency Comments

We provided USDA with a draft of this report for its review and comment. We met with departmental officials, including the Associate Administrator of the Farm Service Agency. USDA generally agreed with the information presented in the report. While the Department agreed with the intent of our recommendation, it stated that any study of alternative delivery methods should include the Natural Resources Conservation Service and the Rural Development mission area. We have expanded our recommendation in response to this comment. USDA also commented that while most farmers experienced reductions in their administrative requirements, some farmers participating in programs not substantially affected by the 1996 act, such as those for peanuts and tobacco, experienced no change or slightly increased administrative requirements. In addition, the Department noted that while alternative delivery methods may reduce government expenses, such changes could increase costs and administrative requirements for the farmers themselves. We provided additional language in the report to recognize these comments. USDA also provided technical and clarifying comments that were incorporated as appropriate.

Scope and Methodology

To determine the extent to which the changes in the farm programs resulting from the 1996 act have reduced farmers' administrative requirements, we discussed the administrative requirements for major farm programs prior to and after the 1996 act with USDA headquarters, state, and county officials. We reviewed the documentation that USDA submitted to the Office of Management and Budget to justify the need for the paperwork requirements for these programs, as well as the time associated with completing the forms. In considering changes in administrative requirements directed by the 1996 act, our analysis does not consider changes in requirements after 2002, when the current law expires. In looking at alternative delivery methods, we did not analyze the implications of changes in delivery methods on USDA's process for gathering the farm data used by other USDA agencies.

We met with USDA headquarters, state, and county officials, as well as farmers, to obtain their views on whether USDA could use alternative

methods to deliver farm support programs. We visited county offices located in California, Connecticut, Georgia, Illinois, Massachusetts, Missouri, Nebraska, North Carolina, and Washington State. In these offices, we met with the county executive director, the manager for agricultural credit, and farmers from the FSA county committee. In six of these states, we also met with the FSA state executive director, and in one state, we met with a member of the state FSA committee.

We also called farmers across the nation who were enrolled in CRP, the direct loan program, and the commodity programs for major crops and who had participated in USDA's customer satisfaction survey to obtain first-hand information on their personal visits and time spent in FSA county offices before and after the 1996 act.⁶

We conducted our work from September 1997 through March 1998 in accordance with generally accepted government auditing standards.

We are sending copies of this report to the Chairman, House Committee on Agriculture; other interested congressional committees; the Secretary of Agriculture; and the Director, Office of Management and Budget. We will also make copies available to others on request.

Please call me at (202) 512-5138 if you or your staff have any questions about this report. Major contributors to this report are listed in appendix III.

Sincerely yours,



Robert A. Robinson
Director, Food and
Agriculture Issues

⁶USDA conducted a nationwide survey of over 4,000 farmers in various farm programs between Feb. and Apr. 1997.

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Abbreviations

CRP	Conservation Reserve Program
FAIR	Federal Agriculture Improvement and Reform Act of 1996
FSA	Farm Service Agency
NAP	Noninsured Crop Disaster Assistance Program
NRCS	Natural Resources Conservation Service
USDA	U.S. Department of Agriculture

Recent USDA Efforts to Improve Delivery of FSA Programs

The U.S. Department of Agriculture's (USDA) recent efforts to improve its delivery of farm programs include a wide range of efforts. These efforts are only incremental measures, however, that cut at the margins of existing operations. They do not address large-scale concerns affecting the Department's overall design, mission, and service delivery method.

More specifically, since 1994, USDA has consolidated two of its former county-based agencies—the Agricultural Stabilization and Conservation Service, and the Farmers Home Administration—into the Farm Service Agency (FSA). USDA has also collocated these FSA offices with the Natural Resources Conservation Service (NRCS), and the Rural Development mission area into one-stop shopping centers for farmers. With this arrangement, farmers can get farm program information and complete necessary paperwork requirements at one location.

In addition, FSA is reviewing its paperwork requirements for farm programs. The Paperwork Reduction Act of 1995 requires federal agencies, including USDA, to reduce their paperwork burden by 25 percent by 1999. USDA has established teams to review its paperwork requirements to determine how they can be streamlined.

Furthermore, USDA is undertaking an effort to streamline its administrative activities at the state and national level. In December 1997, the Secretary of Agriculture approved an administrative convergence plan that will consolidate a number of administrative activities at headquarters and in state offices. The plan establishes a Support Services Bureau in headquarters and one state administrative support unit in each state. This organization will provide administrative services, including financial management, human resources, civil rights, information technology, and management services (including procurement), to field-based agencies.

USDA also has contracted for an independent study to examine FSA, NRCS, and the Rural Development mission area for opportunities to improve overall customer service and the efficiency of the delivery system. Results of this study will be incorporated into the future iterations of FSA's strategic plan.

Administrative Processes and Paperwork Requirements for Selected FSA Farm Programs

The administrative processes and paperwork requirements for many of FSA's major farm programs—Conservation Reserve, Nonrecourse Marketing Assistance Loans, Peanuts, Tobacco, Direct Loans, and Noninsured Crop Disaster Assistance—are described below.

The Conservation Reserve Program

The Conservation Reserve Program (CRP) makes annual rental payments to farmers to retire environmentally sensitive land from production, usually for 10 years. The 1996 act made several changes to CRP to extend, simplify, and refocus the program. We found that farmers spent three visits totaling a minimum of 1 hour to complete the paperwork requirements for CRP. Because there were two CRP signups in 1997, some farmers made more than three visits to an FSA office.

On a farmer's first visit to enroll land in CRP, the farmer reviews an FSA map and indicates the tracts of land he or she is interested in enrolling in the program. FSA staff enter the tract identification information on a CRP worksheet, and the farmer certifies that this information is correct. If the land is determined to be eligible for CRP, the farmer returns to the FSA office to indicate the rental rate he or she will bid and signs a CRP contract, agreeing to the terms and conditions set forth in the appendix to the contract. FSA staff enter the bid amount on a CRP contract, which the farmer signs. FSA selects bids from across the country. The farmers whose bids are accepted return to the county office to review and sign a conservation plan prepared by NRCS.

Nonrecourse Marketing Assistance Loans

Marketing assistance loans provide farmers with interim financing, using the crop as collateral. These loans allow farmers to hold their crops for sale at a later date, when prices may be higher than they would have been at harvest. Farmers make two to three visits and spend a minimum of 1 hour in total to obtain and repay a marketing assistance loan.

On the first visit to obtain a nonrecourse marketing assistance loan, the farmer files an acreage report, unless one has already been filed. Depending on the crop, the farmer brings warehouse receipts or bin measurements to the FSA office and signs a Commodity Credit Corporation Note and Security Agreement, which states that the farmer agrees to pay back the loan or forfeit the collateral, which is the crop. To satisfy the loan, the farmer can either sell the commodity and bring the check for FSA's signature to pay off the loan or forfeit the loan and arrange for delivery of the commodity to the government.

The Peanut Program

The peanut program establishes annual poundage quotas to limit production as a way of supporting crop prices. The program requires FSA to keep a record of the acreage planted and the sales of this commodity to ensure that farmers stay within their quotas. Farmers generally make about five to six office visits and spend a minimum of 1 hour in total to complete paperwork and obtain marketing cards. In 1997, 25,000 farmers participated in the peanut program.

On the first visit to participate in the peanut program, the farmer may request FSA's measurement services to accurately determine his or her peanut acreage. After planting, the farmer visits the FSA office to certify the acreage actually planted. The farmer then completes a Report of Seed Peanuts, which FSA uses to determine if the amount planted is reasonable for the acreage reported. On the basis of the acreage planted, FSA allocates a temporary seed quota to cover the producer's purchase of seed. After harvest, the farmer may visit the FSA office to obtain a Peanut Marketing Card. After selling the peanuts, the farmer must bring his or her Peanut Marketing Card to the FSA office and review a Poundage Sales summary, which reflects the sales of the farmer's peanuts in the marketplace. In addition, if the farmer has excess quota or needs additional quota, he or she will need to make one or more additional visits to the FSA office to complete a Temporary Lease and Transfer of Peanut Quota, which requires witnessed signatures.

The Tobacco Program

The tobacco program establishes annual marketing quotas to limit production as a way of supporting crop prices. The program requires FSA to keep a record of the acreage planted (except Burley tobacco) and the sale of this commodity to ensure that farmers stay within their quotas. Farmers generally make about five to six office visits and spend a minimum of 1 hour in total to complete paperwork and obtain marketing cards. In 1997, 330,000 farmers participated in the tobacco program.

Farmers may visit the FSA county office to request measurement services to accurately determine their tobacco acreage. After planting, the farmer visits the FSA office to certify the acreage actually planted in tobacco, except for Burley tobacco. After harvest, the farmer visits the FSA office to obtain a Tobacco Marketing Card and sign the Certification of Eligibility to Receive Price Support on Tobacco. If the farmer has excess quota or needs additional quota, he or she will need to make one or more additional visits to the FSA office to complete a Temporary Lease and Transfer of Tobacco Quota, which requires witnessed signatures. At the end of the

selling season, the farmer must return, either in person or by mail, the marketing cards and complete a Report of Unmarketed Tobacco.

The Direct Loan Program

The direct loan program provides operating and ownership loans to farmers who cannot obtain credit elsewhere. There are statutory limitations on the size of these loans. Farmers visit their county office three to four times and spend a minimum of 3 hours in total completing paperwork to obtain a loan.

To obtain a direct loan, a farmer generally visits the FSA county office to obtain a Farm Programs Application Package, which includes all of the forms a farmer must complete. A farmer may complete some of these forms during this visit or may gather documentation and complete some of the paperwork before returning to the county office. Credit managers indicated that they usually scheduled a visit to review the application. A complete application package generally includes a Request for Direct Loan Assistance; a Farm and Home Plan showing projected production, income, and expenses; financial records for the past 5 years; and various other documents that describe the applicant's operations. A farmer makes additional visits to provide more information and, if the loan is approved, to sign the loan agreement.

After the loan is approved, a farmer may be required to visit the county office to get signatures on the checks that the farmer receives for selling commodities or to pay back the loan.

The Noninsured Crop Disaster Assistance Program

The Noninsured Crop Disaster Assistance Program (NAP) protects the growers of many crops for which federal crop insurance is not available. FSA makes NAP payments to eligible farmers when an area's expected yield is less than 65 percent of the normal yield. Farmers who participate in NAP make at least one visit for a minimum of 15 minutes to the county office each year to file an acreage report. If they suffer a disaster, they will make two additional visits and spend a minimum of 30 minutes for these two visits to apply for assistance.

To be eligible for NAP, a farmer must file an acreage report annually with the local FSA office. If a farmer suffers a disaster, that farmer can visit the FSA office to complete a Request for Acreage/Disaster Credit. After the area has been declared a disaster, the farmer signs the NAP Certification of

**Appendix II
Administrative Processes and Paperwork
Requirements for Selected FSA Farm
Programs**

Income Eligibility; provides production records, if needed; and signs a Crop Insurance Acreage Report and a Production Yield Report.

Major Contributors to This Report

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