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United States Government Accountability Office  
Washington, DC 20548

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B-296155

April 14, 2005

The Honorable Saxby Chambliss  
Chairman

The Honorable Tom Harkin  
Ranking Minority Member  
Committee on Agriculture, Nutrition, and Forestry  
United States Senate

The Honorable Bob Goodlatte  
Chairman  
The Honorable Collin C. Peterson  
Ranking Minority Member  
Committee on Agriculture  
House of Representatives

Subject: *Department of Agriculture, Commodity Credit Corporation: 2003-2005 Crop Disaster Programs*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Agriculture, Commodity Credit Corporation (CCC), entitled “2003-2005 Crop Disaster Programs” (RIN: 0560-AH24). We received the rule on April 4, 2005. It was published in the Federal Register as a final rule on March 29, 2005. 70 Fed. Reg. 15725.

The final rule implements the portion of the Military Construction, Appropriations and Emergency Hurricane Supplemental Appropriations Act, 2005 enacted October 13, 2004 (the 2004 Act) authorizing crop-loss disaster assistance for producers who suffered 2003, 2004, or 2005 crop losses caused by damaging weather and related conditions. It also provides disaster assistance specifically for producers in Virginia, and producers of fruit and vegetable crops in North Carolina that suffered losses due to adverse weather and related conditions that occurred in 2003.

Enclosed is our assessment of the CCC’s compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. Our review indicates that CCC complied with the applicable requirements.

If you have any questions about this report, please contact James W. Vickers, Assistant General Counsel, at (202) 512-8210. The official responsible for GAO evaluation work relating to the subject matter of the rule is Robert Robinson, Managing Director, Natural Resources and Environment. Mr. Robinson can be reached at (202) 512-3841.

signed

Kathleen E. Wannisky  
Managing Associate General Counsel

Enclosure

cc: Thomas J. Witzig  
Director, Regulatory Review Group  
Department of Agriculture

ANALYSIS UNDER 5 U.S.C. § 801(a)(1)(B)(i)-(iv) OF A MAJOR RULE  
ISSUED BY THE  
DEPARTMENT OF AGRICULTURE,  
COMMODITY CREDIT CORPORATION  
ENTITLED  
"2003-2005 CROP DISASTER PROGRAMS"  
(RIN: 0560-AH24)

(i) Cost-benefit analysis

Crop losses under the 2003, 2004, and 2005 Crop Disaster Program are expected to be about \$2.75 billion. Crop losses under the Virginia and North Carolina provision are expected to be \$53 million. The \$80,000 payment limitation and the \$2.5 million adjusted gross income limitation will direct the distribution of payments more toward relatively smaller operations.

(ii) Agency actions relevant to the Regulatory Flexibility Act, 5 U.S.C. §§ 603-605, 607, and 609

Since the final rule was not preceded by a notice of proposed rulemaking, the requirements of the Regulatory Flexibility Act are not applicable.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

Since the final rule was not preceded by a notice of proposed rulemaking, the requirements of title II of the Unfunded Mandates Reform Act of 1995 are not applicable. However, CCC states that the rule does not contain any mandates.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 et seq.

Section 101(g) of Division B of the 2004 Act states that the rule can be promulgated without regard to the notice and comment provisions of 5 U.S.C. 553.

Paperwork Reduction Act, 44 U.S.C. §§ 3501-3520

Section 101(g) of Division B of the 2004 Act states that the rule may be published without regard to the requirements of the Paperwork Reduction Act.

Statutory authorization for the rule

The final rule is promulgated under the authority of the Agricultural, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Pub. L. 106-387) and the Military Construction, Appropriations and Emergency Hurricane Supplemental Appropriations Act, 2005 (Pub. L. 108-324).

Executive Order No. 12866

The rule was reviewed by the Office of Management and Budget and found to be an “economically significant” regulatory action under the order.