

GAO

Resources, Community, and Economic
Development Division

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**Food and Agriculture
Issue Area**

Active Assignments

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 July 6, 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; William Gahr, Associate Director, on (202) 512-9823; or Robert Robinson, Associate Director, on (202) 512-9894.

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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: THE IMPACT OF ETHANOL TAX CREDIT ELIMINATION ON USDA CORN DEFICIENCY PAYMENTS (150831)

BACKGROUND : Ethanol, an alcohol made from corn, is one substance that can be blended with gasoline to reduce emissions as required in the Clean Air Act. Ethanol-blended gasoline is exempt from part of the federal gas tax. While eliminating the tax exemption would increase tax revenues it would also have an effect on federal payments to farmers.

KEY QUESTIONS : 1. What is the status of the ethanol industry (e.g. ethanol produced, substitutes, costs, corn used in ethanol production)? 2. What is the impact of eliminating the ethanol tax credit on corn demand, prices, and deficiency payments?

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FOOD SAFETY

TITLE: EFFECTS OF ADOPTING A SCIENTIFIC, RISK-BASED (HACCP) INSPECTION SYSTEM FOR MEAT AND POULTRY ON FEDERAL MEAT AND POULTRY INSPECTORS AND STATE INSPECTION ACTIVITIES (150638)

BACKGROUND : GAO recommended, most recently in May 1994, a HACCP system for meat and poultry inspection and USDA recently proposed a HACCP system. Of concern to Congress, as it deliberates new food safety legislation, are questions about HACCP's effect on state-inspected plants, states' inspection programs (which must be equal to the federal program), and federal inspectors' jobs.

KEY QUESTIONS : 1) How do the the state programs currently function and how will a federal HACCP program affect them, including how much will it cost the states? 2) How will federal meat and poultry inspection jobs be affected by HACCP, including how will tasks change and how many inspectors will be affected?

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

AGRICULTURE AND THE ENVIRONMENT

TITLE: WATERSHED MANAGEMENT FOR AGRICULTURAL NON-POINT POLLUTION (150538)

BACKGROUND : Initiatives to address agriculture's contribution to nonpoint source pollution are expected to receive considerable attention during the 1995 Farm Bill debate. This assignment will provide information on watershed-based approaches to mitigating agricultural pollution that are being implemented by federal, state, and/or local entities.

KEY QUESTIONS : (Q1) Determine the number, purpose, location, and funding of current watershed projects being implemented through the federal government for pollution prevention in agricultural production. (Q2) Develop case studies of successful or innovative watershed-based agriculture pollution prevention projects initiated by state or local governments.

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AGRICULTURE AND THE ENVIRONMENT

TITLE: REVIEW OF WATER POLLUTION PROBLEMS ASSOCIATED WITH ANIMAL AGRICULTURE (150540)

BACKGROUND : Public concern over water pollution from animal agriculture waste is growing. For example, EPA estimates that animal agriculture contributes 1/3 to 1/2 of the nonpoint surface water pollution in the U.S. Accordingly, the Congress expects to address proposals to reduce nonpoint source pollution associated with animal agriculture during debate on the 1995 farm bill.

KEY QUESTIONS : Q1. To what extent are water quality problems associated with animal agriculture? Q2. How much animal agriculture is covered by point source permits? Q3. Do USDA conservation programs address pollution prevention in animal agriculture? Q4. What do preferred waste management technologies cost producers? Q5. What are the trends and consolidation rates in animal agriculture?

FOOD AND NUTRITION ASSISTANCE

TITLE: REDUCING FRAUD, WASTE, AND ABUSE IN THE FOOD STAMP PROGRAM - PART 2 (150239)

BACKGROUND : Fraud, waste, and abuse in the Food Stamp Program remain serious concerns of the Congress--especially in terms of escalating program cost and efforts to reduce federal spending.

KEY QUESTIONS : (1) Why do state caseworkers make overpayment errors in determining participant eligibility and benefits, (2) why do applicants provide incorrect information to state caseworkers when applying for benefits, (3) what USDA controls ensure that only legitimate food stores are allowed to accept food stamps, and (4) what can be done to reduce the improper use of food stamps?

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?

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FOOD AND NUTRITION ASSISTANCE

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?

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

RURAL DEVELOPMENT

TITLE: EVALUATION OF DELTA TEACHERS ACADEMY PROGRAM (150882)

BACKGROUND : The Delta Teachers Academy aims to improve the quality of public school teaching in the 7-state Delta region. The National Faculty, an independent, nonprofit corporation, administers the Academy. USDA began funding the program in 1994. An interim report (RCED-94-213R, 5/94) provided a status of program activities and expenditures.

KEY QUESTIONS : (1) What has been the extent and cost of the Academy's activities (e.g., number of participants trained, cost of training, number and location of schools involved)? (2) What are participants' views on the program's effectiveness?

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?

OTHER ISSUE AREA WORK FOOD & AGRI.

TITLE: REVIEW OF USDA'S OPTIONS PILOT PROGRAM (150060)

BACKGROUND : USDA's Options Pilot Program was authorized by the 1990 Farm Bill. The program was intended to evaluate the extent to which farmers could manage the risks and declines in crop prices by trading options on the open market.

KEY QUESTIONS : 1. What is the current status of USDA's implementation of the pilot project? 2. How well is the program working?

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?

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OTHER ISSUE AREA WORK FOOD & AGRI.

TITLE: HRA 11:QUESTIONS RELATED TO USDA'S FARM LOAN PORTFOLIO (150332)

BACKGROUND : In recent years GAO has completed an extensive amount of work reviewing USDA's farm loan programs. Our reports and testimonies have highlighted problems with these programs, the billions of dollars in losses that have occurred, and the risk of the remaining portion of the farm loan portfolio.

KEY QUESTIONS : (1) As of March 31, 1995, what is the status of USDA's farm loan program, including outstanding and delinquent loans by loan type and by increments of debt? (2) What have been the losses in the entire portfolio for the period 10/1/89 to 3/31/95? (3) What has been the performance of loans to borrowers who are delinquent or whose past defaults have resulted in loan losses?

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?


