

GAO

Report to the Chairman, Subcommittee
on Specialty Crops and Natural
Resources, Committee on Agriculture,
House of Representatives

September 1994

SOIL AND WETLANDS CONSERVATION

Soil Conservation Service Making Good Progress but Cultural Issues Need Attention



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

B-257452

September 27, 1994

The Honorable Charlie Rose
Chairman, Subcommittee on Specialty
Crops and Natural Resources
Committee on Agriculture
House of Representatives

Dear Mr. Chairman:

Among the environmental programs for agriculture that the Congress established in 1985 were the conservation compliance program to reduce soil erosion and the swampbuster program to prevent the conversion of wetlands to new cropland. The Soil Conservation Service (SCS) in the U.S. Department of Agriculture (USDA) is principally responsible for implementing these programs through its more than 3,000 field offices at state and county levels. While SCS has made considerable progress in placing millions of acres under these environmental programs, several evaluations by USDA's Office of Inspector General (OIG) and others have found three key program areas needing management improvements. (See bibliography.) These evaluations found that SCS needed to improve (1) the quality of farmers' conservation plans and its decisions identifying wetlands, (2) its related enforcement activities, and (3) the quality and quantity of information needed to manage and evaluate the programs.

Since 1991, SCS has initiated a series of reforms to address these three areas. You asked us to determine (1) whether these reforms will help the agency to better manage its conservation compliance and swampbuster programs and (2) if additional improvements are necessary to ensure effective management.

Results in Brief

SCS has undertaken extensive reforms to more effectively manage the conservation compliance and swampbuster programs. While these reforms are noteworthy, several additional steps are needed. For example, SCS has substantially revised its guidance to county offices to provide more explicit technical instructions on how to develop conservation plans and identify wetlands, but it has not instituted a follow-up system to ensure that county offices revise any plans found to be deficient. SCS has also developed new enforcement procedures and instituted more headquarters oversight of state and county offices. Headquarters staff responsible for overseeing these offices, however, lack clear authority to require state and

county offices to follow their recommendations. Finally, although SCS is in the process of developing an information system to track all violations, it still has not established performance goals for the conservation compliance and swampbuster programs (such as goals for soil savings to determine how well conservation systems are working to reduce overall erosion).

One overarching barrier stands in the way of effective implementation of SCS' reforms and the achievement of the programs' full potential—the cultural conflict within SCS between its new regulatory role under the 1985 act and its traditional role of advising and helping farmers. Our evaluation and many of the studies we reviewed found that SCS' internal conflict contributes to the reluctance of SCS county office staff, with whom most contacts with farmers take place, to cite farmers for violations with their conservation plans because such citations could result in farmers losing their farm program benefits. For example, several OIG audits questioned whether county office staff were abusing the use of variances allowed under the program to avoid citing farmers for violations. For the past 60 years, SCS' role has been to work cooperatively with farmers to provide technical assistance and foster voluntary conservation. With the addition of the 1985 programs, SCS is often in the conflicting position of acting as both adviser to and regulator of farmers. The agency's new regulatory role, combined with its traditional role, requires a cultural change within the agency if it is to effectively administer its regulatory responsibilities.

Background

Before 1985, this nation annually lost over 3 billion tons of soil because of erosion on its 420 million acres of cropland. In addition, farmers were draining thousands of acres of wetlands each year and converting them to new cropland. To address these problems, the Congress, in the Food Security Act of 1985, required farmers who participate in federal farm programs to reduce erosion on highly erodible cropland and, with certain exceptions, prohibited the conversion of wetlands. Violators of these program requirements risk losing federal farm program benefits. USDA's Agricultural Stabilization and Conservation Service (ASCS) decides on violators' continuing eligibility for most federal farm program benefits after SCS refers the violators to ASCS.

Under the conservation compliance program, SCS must determine whether land is highly erodible and, if so, help farmers develop a conservation plan that spells out how soil erosion will be reduced. Farmers subject to this program had to have an approved plan by 1990 and must fully apply soil

conservation practices by January 1995. SCS is to annually inspect farmers' cropland to ensure that they are applying the soil conservation practices called for in their plans.

Under the swampbuster program, SCS must determine whether land is a wetland and, if so, whether farmers have converted it to new cropland. In January 1994, SCS and three other agencies—the Fish and Wildlife Service within the Department of the Interior, the U.S. Army Corps of Engineers, and the Environmental Protection Agency—signed an interagency agreement that consolidates responsibility under SCS for identifying wetlands on agricultural land covered by federal regulation under section 404 of the Clean Water Act and the swampbuster program. SCS will begin identifying wetlands under this agreement in fiscal year 1995.

To carry out the goals of the 1985 act, as well as its historical mission of providing technical assistance to foster voluntary soil and water conservation, SCS has 3,050 state and county offices. The line of authority in SCS extends from the chief of the agency to the heads of its state offices—the state conservationists—who oversee SCS' county offices, which are headed by district conservationists. Four assistant regional chiefs in SCS headquarters provide technical assistance to the state and county offices through four national technical centers.

According to the Chief of SCS, U.S. agriculture is now carrying out the most intensive conservation effort ever undertaken on private land. As of March 1994, SCS had identified 149 million acres¹ of highly erodible cropland and had assisted farmers in developing 1.8 million approved plans to reduce soil erosion. Conservation practices, such as contouring, terracing, and leaving crop residue during harvesting (crop residue management), are increasing as a result of the conservation compliance program, and as appendix I indicates, farmers had fully implemented 74 percent of the approved plans as of March 1994. In addition, as of this date, SCS had identified 16 million acres of wetlands—the first step in preventing farmers from converting these lands to new cropland. Nearly half of the areas under both programs are concentrated in the Midwest.

While SCS has taken noteworthy steps to implement program requirements, evaluations by USDA's OIG and others found that SCS could improve its effectiveness in several areas. First, the evaluations found that many of the conservation plans SCS approved were deficient, and some of the

¹This includes 36.4 million acres enrolled in the Conservation Reserve Program. These acres are covered by 375,000 10-year contracts, which also require approved conservation plans. SCS' reports on the number of conservation plans include those plans under the Conservation Reserve Program.

identifications of wetlands were questionable. For example, the OIG noted that many conservation plans did not adequately specify the actions farmers had to take to reduce soil erosion, thus making the plans hard to enforce. Second, SCS was reluctant to cite farmers who were not in compliance with their approved plans. For example, the OIG found that more farmers were not in compliance with their plans than SCS had reported and that some county office staff gave farmers a variance to avoid citing them. And third, SCS did not have in place adequate information systems to manage or evaluate these programs. For example, although one objective of the conservation provisions is to reduce soil erosion, SCS (1) has not set soil savings goals in order to measure its progress and (2) had not estimated soil savings until May 1994 because of deficiencies in its information systems.

Oversight of Conservation Plan Reforms Is Inadequate, While Wetlands Identification Reforms Are on the Right Track

In response to criticisms of the quality of its conservation plans and wetlands identification efforts, SCS has developed better guidance and put into place new oversight procedures. These are steps in the right direction. While the reforms and oversight of wetlands identification appear adequate, SCS has not made all the institutional changes needed to ensure that SCS county offices fully implement the reforms to improve the quality of conservation plans.

Reforms to Improve Quality of Conservation Plans Lack Effective Oversight

SCS revised its operations and procedures manual in March 1994. SCS staff use this manual as guidance for developing conservation plans, identifying wetlands, and conducting enforcement activities. The March 1994 manual is the third edition since 1987, and it contains more explicit technical instructions than did the previous manuals. Previous guidance was considered overly broad, making it difficult for county offices to tailor the plans to specific problems with cropland and causing the plans to be technically deficient, according to both SCS headquarters and county office staff. In contrast, the new guidance spells out how county offices should develop a plan that meets specific needs for the cropland. For example, the new guidance explains how to describe the (1) conservation problem to be solved or reduced; (2) conservation practice(s) farmers must employ, such as the order in which they should rotate crops and/or the amount of crop residue they need to leave on the ground to reduce erosion; and (3) maintenance requirements, such as ensuring that terraced

areas are stable. With these new instructions, county offices are in a better position to prepare conservation plans that will guide farmers and provide SCS with an adequate basis for enforcement.

In addition to its procedures manual, SCS headquarters sometimes provides guidance and special instructions to its state and county offices through bulletins. However, follow-up action is not always adequate to ensure that county offices implement these bulletins. For example, in a February 1991 bulletin, SCS headquarters required its county offices to revise deficient conservation plans by June 1993. SCS headquarters did not require state offices to report to them on the corrections county offices had made, and it has no plans to determine whether offices met this deadline. As of April 1994, SCS headquarters had no method for determining (1) how many plans found to be deficient were revised and (2) whether the revised plans were done correctly.

In March 1992, SCS realigned its management to provide more oversight of state offices in response to criticisms by USDA's OIG and others that it had not effectively carried out its regulatory responsibilities. SCS assigned responsibility for overseeing state operations to the four assistant chiefs in headquarters. By taking this action, SCS intended, in part, to ensure that farmers had sound conservation plans. To achieve this objective, the assistant chiefs and their technical center staff have started to review state and county office operations and advise those staff on corrective actions. But SCS—maintaining the traditional autonomy of the state offices—did not give the assistant chiefs clear authority to require state offices to act on headquarters' recommendations. Consequently, headquarters and technical center officials told us that they do not know how effectively state offices will implement the recommendations. For example, one technical center official in the Midwest found that conservation plans were still deficient after state offices had been told to revise all deficient plans. The official expressed concern that some county offices may not revise the plans in time for farmers to meet the 1995 deadline for fully applying their plans.

Reforms and Oversight of Wetlands Identification Appear Adequate

SCS' guidance in the March 1994 edition of the operations and procedures manual for wetlands identification is far more useful than the old guidance and was developed in cooperation with the Fish and Wildlife Service, the Environmental Protection Agency, and the Corps of Engineers. SCS' January 1994 interagency agreement with these agencies provides for agreed-upon locally set standards for identifying wetlands and for training

personnel. In addition, the agreement provides for interagency teams to review and certify the accuracy of SCS' past wetlands identifications and to periodically review future wetlands identifications conducted by SCS county offices. Officials with SCS and the Fish and Wildlife Service believe that when SCS resumes the wetland identification process, now scheduled for fiscal year 1995, the revised guidance and the oversight called for in the interagency agreement should improve the process.

Implementation of Enforcement Reforms Is Not Adequate

As with its efforts to improve the quality of its conservation plans and wetlands identification efforts, SCS has focused its enforcement reforms on better guidance and new inspection procedures. However, for the conservation compliance program, headquarters oversight is not sufficient to ensure that reforms are implemented. In addition, there is no program for regular field inspections to monitor for violations of wetlands regulations.

SCS Has Not Ensured Implementation of Enforcement Reforms for Conservation Compliance

SCS has developed new enforcement procedures for the conservation compliance program and instituted more headquarters oversight of state and county offices. Headquarters staff responsible for oversight, however, lack clear authority over SCS' state offices to ensure that enforcement reforms are implemented.

Enforcement for the conservation compliance program primarily consists of two levels of review. First, SCS county offices must annually review a statistical sample of conservation plans to test farmers' compliance with those plans, commonly called a status review. Second, SCS state offices must assess the performance of county offices by reviewing a sample of the status reviews—a process referred to as the quality review.

Recognizing that the county office status reviews are the "building block" of enforcement, SCS has made continuing efforts to provide clearer guidance in its procedures manual on how county offices are to inspect highly erodible cropland to determine farmers' compliance with conservation plans. SCS found that earlier guidance contained in its procedures manual was not specific enough for county offices to use as an effective enforcement tool. For example, county office staff would sometimes convert a compliance review into an advisory session and give the farmer found in violation another opportunity to comply without penalty. In May 1991, SCS provided new guidance to clarify for county

offices the difference between providing technical assistance and conducting compliance reviews of farmers.

In addition to improving guidance, SCS headquarters has also been concerned about the underreporting of violations. While the percentage of violations reported at the state level for 1991, 1992, and 1993 was 1.6, 2.6, and 3.6 percent, respectively, other organizations, including USDA's OIG, reported higher levels of violations. (See app. II.) For example, in 1991, USDA's OIG found that about 10 percent of the farmers were in violation of their conservation plans. In response, the SCS Chief in a May 1992 bulletin encouraged county offices to rotate staff conducting status reviews so that they are not inspecting farmers in their own community. However, this was not a mandatory requirement and, according to SCS officials, has not changed most county office practices.

Another SCS headquarters' enforcement concern was that the annual state quality reviews left too much authority in the hands of the state conservationists. In response, as part of SCS' March 1992 decision to give its four assistant chiefs responsibility for overseeing state operations, SCS also required the assistant chiefs to review the state conservationists' annual quality review of county-level enforcement decisions. This was intended to ensure that state offices were effectively overseeing how county offices were inspecting farmers, enforcing compliance with their plans, and implementing the enforcement reforms. SCS' March 1994 revised operations and procedures manual incorporates the requirement for the assistant chiefs to review the state conservationists' annual quality review of county-level enforcement decisions. However, as mentioned earlier, when SCS assigned the assistant chiefs this new responsibility, it did not give them authority to require state conservationists to implement their recommendations. In some cases, this situation has sent a mixed signal to state and county offices as to the seriousness on the part of SCS headquarters.

SCS Has Not Established a Routine Inspection Program for Wetlands

While SCS requires all county offices to conduct annual status reviews for compliance with conservation plans, it does not do so for wetlands. Several evaluations have criticized SCS' monitoring of violations of wetlands regulations and concluded that wetlands conversion (swampbusting) could go undetected. As of March 1994, SCS had identified an estimated 50 percent of the wetlands (16 million acres) that are subject to the swampbuster program. However, SCS had not established a routine inspection program aimed at ensuring that swampbusting is detected,

farmers' compliance with the program's regulations is enforced, and farmers are deterred from swampbusting. Until a routine field inspection program for wetlands is established, SCS cannot be assured that violations have not occurred.

SCS Has Not Collected Information on Programs' Performance but Will Track Violations

Several evaluations found that SCS had not collected the information necessary to effectively manage the conservation compliance and swampbuster programs and report on the programs' performance and results. According to SCS officials, before these programs were enacted, the agency administered through its county offices diverse voluntary programs that were responsive and accountable to local priorities. Because of its tradition of autonomous state and county office operations, SCS headquarters did not systematically evaluate field offices' performance or the environmental benefits being achieved. It was not until May 1993 that SCS began developing a national system to track program violations.

For the conservation compliance program, SCS began to collect information starting in 1993 to estimate soil savings resulting from the farmers' application of their conservation plans, but SCS has not established a target for national soil savings.² For the swampbuster program, SCS has determined neither the wetlands affected by the program's regulations nor set appropriate goals for protecting those resources. Therefore, SCS cannot measure the conservation benefits achieved or assess whether farmers are subjected to appropriate and equitable conservation standards across the nation.

Even though the conservation compliance and swampbuster programs began in 1985, several evaluations in 1992 reported that SCS had no system to track the extent of program violations reported by SCS county offices and resulting penalties imposed by USDA's ASCS. In response, in May 1993 SCS began developing with ASCS a national data base to track such information. An SCS headquarters official told us that the agency expects this tracking system to be fully operational in SCS county offices in December 1994. Information compiled to date has been developed by a nonprofit environmental research and publishing organization that reviewed SCS and ASCS data.

²SCS collected soil savings information on the farms included in its 1993 status reviews. SCS reported these estimated soil savings in May 1994.

Changing Role of SCS Requires a Change in Its Culture

Collectively, the reforms that SCS has put in place will undoubtedly contribute to better management of the conservation compliance and swampbuster programs. However, our review found one overarching issue that continues to impede the effective implementation of SCS' reforms and the achievement of the programs' full potential—the cultural conflict between SCS' new regulatory responsibilities and its historical role of fostering farmers' voluntary conservation. Without a change in SCS' culture, the reforms will provide SCS with the tools to manage this program but not the discipline and mindset to ensure that the national environmental mandates imposed by the 1985 act are uniformly carried out.

Because of this internal cultural conflict, several evaluations have found that county office staff have been reluctant to cite farmers for violations—perhaps the acid test of effective regulation. For example, several OIG audits questioned whether county office staff were abusing the use of variances allowed under the program to avoid citing farmers for violations of their conservation plans. From 1991 through 1993, about 15 percent of the status reviews were found in compliance because of the use of variances. (See app. III.) While the 1985 act allows for variances, the OIG found that these are used by some county offices to avoid citing violations. Similarly, assigning responsibility to the assistant chiefs without giving them the authority to effectively oversee enforcement at state and county offices sent a mixed signal about the seriousness on the part of SCS headquarters to eliminate the underreporting of violations. Finally, SCS has never established a routine inspection program for the swampbuster program to detect violations of SCS' wetlands regulations, a situation that both undermines enforcement and the protection of wetlands.

SCS' role for almost 60 years has been to promote voluntary resource conservation and to work cooperatively with farmers. SCS carried out its mission by persuasion and education and promoted this mission as one that would bring direct benefits to farmers. Prior to the 1985 act, SCS advised farmers on how to drain and convert wetlands into new cropland. Beginning with the act, however, SCS found itself in the difficult position of now telling farmers that if they converted wetlands to new cropland they risked losing their farm program benefits. Therefore, SCS county office staff are often working with farmers in two conflicting capacities—as adviser and regulator.

This conflict in roles may be exacerbated if SCS assumes more responsibilities for environmental issues facing agriculture. Several

legislative proposals could greatly increase SCS' responsibilities to ensure that environmental requirements are followed. First, pending legislation to reorganize USDA would fold SCS into a new Natural Resources Conservation Service. This new agency would serve as the single agency for all agriculture-related environmental programs in the department, including financing farmers' conservation efforts. In this capacity, the agency would be positioned as the lead agricultural environmental agency in the federal government.

Second, proposals to reauthorize the Clean Water Act will address the problem of runoff from agricultural lands. No matter how agricultural runoff is regulated, it is generally expected that SCS or its successor agency will have overall responsibility for ensuring that farmers comply with the provisions of the act.

Conclusions

Nine years after the Congress enacted the conservation compliance and swampbuster programs, SCS has approved a significant number of conservation plans affecting millions of acres and recently agreed to a credible system for identifying wetlands. SCS has also undertaken extensive reforms to address concerns identified by critical evaluations. While these reforms are laudatory, SCS could make additional improvements to the conservation compliance and swampbuster programs so that they operate more effectively and better prepare the agency for its likely role as the lead federal environmental agency for agricultural cropland.

SCS' enforcement actions—perhaps the acid test of effective regulation—have been problematic. Enforcement is the area in which the county offices' traditional role of providing technical assistance conflicts with their new responsibility for enforcing program compliance. This is believed to have led to an underreporting of violations to avoid citing farmers for violations. The enforcement reforms for the conservation compliance program lack adequate oversight to ensure that they will be implemented, and there is no routine enforcement process for the swampbuster program.

While SCS has made some strides in improving information necessary to effectively manage these programs, it still has not set national performance goals for soil and wetlands conservation, making it difficult to measure the success of these programs.

Finally, the reforms to date do not fully deal with the underlying dilemma of how to integrate SCS' regulatory responsibilities into its traditional institutional culture—a culture that for over 60 years focused on providing technical assistance on conservation to farmers who requested it. This cultural conflict may become even more significant if SCS' environmental responsibilities increase under proposals for USDA's reorganization and changes to the Clean Water Act.

Recommendations

To improve SCS' management of the conservation compliance and swampbuster programs and to provide adequate oversight of the agency's state and county offices, we recommend that the Secretary of Agriculture direct the Chief of SCS to take the following actions:

- Establish an annual status review process for the swampbuster program to assess farmers' compliance with the wetlands regulations.
- Give state offices responsibility for conducting annual status reviews for the conservation compliance and swampbuster programs to avoid the conflict that county office staff encounter between advisory and regulatory roles. There are a variety of alternatives to do this. One possible alternative to avoid this conflict could be for state offices to rotate county office staff conducting the status reviews so that no SCS personnel inspect farmers in their own community.
- Give the assistant chiefs clear oversight authority of SCS state and county offices to ensure that conservation plans and wetlands identifications follow the revised guidance and that these offices fully and uniformly enforce these programs.

In order for SCS to develop the information needed to manage these programs and for USDA, the Congress, and others to better understand their performance, we recommend that the Secretary of Agriculture direct the Chief of SCS to

- set performance goals for soil and wetlands conservation, annually assess progress towards these goals, and submit the results to the Congress in USDA's annual budget submission.

Because SCS' changing regulatory responsibilities require cultural changes, we recommend that the Secretary of Agriculture direct the Chief of SCS to

- develop and implement a strategy to resolve the cultural conflict between SCS' traditional role of fostering voluntary conservation by farmers and its

new regulatory role. This strategy could include training of staff to help them adapt to their regulatory responsibilities and requiring SCS headquarters to increase oversight of and the accountability of state and county offices.

Agency Comments and Our Evaluation

In responding to a draft of this report, USDA said that SCS will correct the limitations in the conservation compliance and swampbuster programs, in part aided by the recommendations we make in this report (see app. IV for the text of USDA's response and our detailed comments). Specifically, USDA agreed with three of our recommendations and cited several corrective actions under way or planned for fiscal year 1995. These actions include instituting an annual status review process for the swampbuster program, reorganizing to give the SCS assistant chiefs clear oversight authority, and developing performance goals and assessing progress for both programs.

USDA agrees with us about the cultural conflict SCS employees have experienced with SCS' regulatory role under these programs. However, while recognizing the need for improvement, USDA said that SCS will defer taking action in response to our remaining recommendations—(1) to make SCS state offices, rather than county offices, conduct annual status reviews for both programs and (2) to develop and implement a strategy to resolve the cultural conflict between the agency's newer regulatory role and traditional role of fostering voluntary conservation by farmers. According to USDA, SCS' role has evolved since the 1985 farm bill without clear guidance from the Congress. Therefore, USDA believes that SCS alone is not in a position to take corrective action on these two recommendations. According to USDA, the appropriate time for discussion and resolution of this issue will be during the upcoming farm bill debate.

We agree that the Congress may consider SCS' role anew as it debates the merits of farm program legislation in 1995. However, we do not believe that USDA needs to delay action on reassigning organizational responsibility for conducting status reviews and developing a strategy for implementing its assigned regulatory responsibilities pending congressional action. In our view, in both the 1985 and 1990 farm legislation the Congress has set forth its expectation that SCS will assume regulatory responsibilities under the conservation compliance and swampbuster programs. In particular, by expanding in 1990 the number of farm program benefits subject to loss if farmers do not comply with these programs, the Congress signaled that these regulatory responsibilities were to be fully implemented. Decisions concerning organizational structures and implementation strategies are

essentially an administrative function that properly rests with SCS. Addressing the cultural barriers within its organization that impede the effective assumption of its assigned regulatory role is simply part of SCS' administrative and management responsibilities.

Scope and Methodology

To determine SCS' response to criticisms of its management of the conservation compliance and swampbuster programs, we reviewed relevant literature and agency documents and records at USDA headquarters in Washington, D.C., and judgmentally selected USDA offices in Kansas, Minnesota, Nebraska, North Dakota, and Texas. We interviewed SCS and ASCS program officials in headquarters and in field offices. We also obtained documents from and spoke with Fish and Wildlife Service program officials at headquarters and in Minnesota and North Dakota, as well as USDA's OIG auditors in Washington, D.C., and Kansas City, Missouri.

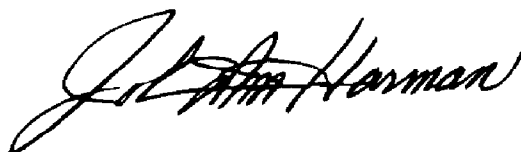
To obtain views on USDA's administration of the programs, we spoke with representatives from state natural resources and agriculture agencies in Kansas, Minnesota, North Dakota, and Texas; farmers' organizations; and environmental and conservation groups.

We conducted our review from January 1993 through May 1994 in accordance with generally accepted government auditing standards. Written comments from USDA on the results of our work appear in appendix IV.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 5 days after the date of this letter. At that time, we will send copies to the appropriate congressional committees; interested Members of Congress; the Secretary of Agriculture; the Chief, Soil Conservation Service; the Inspector General; the Director, Office of Management and Budget; and other interested parties.

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

Sincerely yours,

A handwritten signature in black ink, appearing to read "John W. Harman". The signature is written in a cursive style with a large, looping initial "J".

John W. Harman
Director, Food and Agriculture Issues

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Abbreviations

ASCS	Agricultural Stabilization and Conservation Service
GAO	General Accounting Office
OIG	Office of Inspector General
SCS	Soil Conservation Service
USDA	U.S. Department of Agriculture

Status of Conservation Compliance and Swampbuster Programs, as of March 31, 1994

Acres in thousands

	Conservation compliance			Swampbuster Acres Identified	Total
	Acres with plans ^a	Acres with plans fully applied ^a	Percent of planned acres fully applied		
Total, U.S.	143,885	103,419	71.9	16,429	160,314
Midwest region					
Ill.	4,956	3,029	61.1	590	5,546
Ind.	2,343	631	26.9	158	2,501
Iowa	11,562	4,611	39.9	275	11,837
Kans.	12,806	11,496	89.8	149	12,955
Mich.	720	571	79.3	828	1,548
Minn.	2,269	1,348	59.4	1,792	4,061
Mo.	6,520	5,069	77.7	433	6,953
Neb.	9,938	8,432	84.8	315	10,253
N.Dak.	7,708	7,158	92.9	1,737	9,445
Ohio	1,915	1,556	81.3	64	1,979
S.Dak.	4,064	3,256	80.1	1,318	5,382
Wis.	3,583	2,212	61.7	1,001	4,584
Subtotal	68,384	49,369	72.2	8,660	77,044
Northeast region					
Conn.	24	11	45.8	16	40
Del.	12	5	41.7	8	20
Me.	125	74	59.2	24	149
Md.	329	226	68.7	15	344
Mass.	19	14	73.7	4	23
N.H.	6	4	66.7	3	9
N.J.	31	25	80.6	11	42
N.Y.	1,178	731	62.1	484	1,662
Penn.	2,619	1,302	49.7	37	2,656
R.I.	1	1	100.0	<.5	1
Vt.	109	79	72.5	28	137
Va.	1,225	687	56.1	242	1,467
W.Va.	102	84	82.4	6	108
Subtotal	5,780	3,243	56.1	878	6,658
South region					
Ala.	3,008	1,002	33.3	13	3,021

(continued)

**Appendix I
Status of Conservation Compliance and
Swampbuster Programs, as of March 31,
1994**

Acres in thousands

	Conservation compliance			Swampbuster Acres identified	Total
	Acres with plans ^a	Acres with plans fully applied ^a	Percent of planned acres fully applied		
Ark.	348	305	87.6	307	655
Fla.	242	198	81.8	491	733
Ga.	698	595	85.2	1,959	2,657
Ky.	3,957	2,389	60.4	201	4,158
La.	238	219	92.0	881	1,119
Miss.	1,795	1,633	91.0	712	2,507
N.C.	1,551	991	63.9	185	1,736
Okla.	5,140	4,457	86.7	161	5,301
Puerto Rico	14	8	57.1	2	16
S.C.	414	349	84.3	5	419
Tenn.	2,599	2,028	78.0	105	2,704
Tex.	12,839	9,351	72.8	511	13,350
Subtotal	32,843	23,525	71.6	5,533	38,376
West region					
Alaska	59	43	72.9	3	62
Ariz.	23	18	78.3	<.5	23
Cal.	892	636	71.3	114	1,006
Colo.	8,929	6,451	72.2	111	9,040
Hawaii	78	61	78.2	<.5	78
Ida.	3,533	2,156	61.0	157	3,690
Mont.	14,302	11,354	79.4	508	14,810
Nev.	211	156	73.9	95	306
N.Mex.	2,017	1,544	76.5	5	2,022
Ore.	1,630	1,401	86.0	191	1,821
Utah	487	368	75.6	71	558
Wash.	3,578	2,091	58.4	82	3,660
Wyo.	1,139	1,003	88.1	21	1,160
Subtotal	36,878	27,282	74.0	1,358	38,236

^aThe Soil Conservation Service's (SCS) progress reports for conservation plans merge together plans prepared to meet the conservation compliance program requirements and the Agricultural Stabilization Conservation Service's (ASCS) Conservation Reserve Program requirements. SCS cannot provide separate estimates for the conservation compliance program alone. As of March 31, 1994, there were 375,000 10-year contracts under the Conservation Reserve Program affecting 36.4 million acres; each contract requires a conservation plan.

Source: Strategic Planning Division, SCS.

Conservation Compliance Violations Reported by SCS State Offices, 1991 Through 1993

Number and percent			
State	Year of status review		
	1993	1992	1991
Total, U.S.	1,735 3.6%	2,494 2.6%	1,153 1.6%
Midwest region			
Ill.	102 3.9%	158 2.5%	56 1.3%
Ind.	29 2.7%	261 4.5%	67 2.5%
Iowa	102 4.3%	211 2.8%	37 0.6%
Kans.	129 5.8%	283 4.5%	26 0.8%
Mich.	17 1.9%	54 6.1%	59 5.6%
Minn.	10 1.0%	18 1.1%	16 0.9%
Mo.	106 5.1%	190 3.9%	99 2.6%
Neb.	40 2.0%	74 1.1%	41 1.0%
N.Dak.	61 4.5%	25 0.9%	8 0.4%
Ohio	21 1.9%	78 3.6%	59 3.0%
S.Dak.	7 0.5%	4 0.3%	6 0.4%
Wis.	47 2.8%	115 2.5%	77 2.1%
Subtotal	671 3.4%	1,471 2.9%	551 1.5%
Northeast region			
Conn.	1 2.2%	2 4.1%	0
Del.	0	0	1 11.1%
Me.	0	0	0
Md.	13 2.6%	24 5.9%	24 7.5%
Mass.	1 3.1%	0	0
N.H.	0	4 20.0%	1 7.1%

(continued)

**Appendix II
Conservation Compliance Violations
Reported by SCS State Offices, 1991
Through 1993**

State	Year of status review		
	1993	1992	1991
N.J.	5 5.1%	15 12.3%	17 15.0%
N.Y.	39 4.2%	57 3.9%	19 1.6%
Penn.	53 3.7%	183 6.8%	186 9.2%
R.I.	0	0	0
Vt.	1 3.0%	0	0
Va.	50 3.5%	49 2.2%	47 2.4%
W.Va.	2 1.4%	0	2 1.0%
Subtotal	165 3.4%	334 4.4%	296 4.8%
South region			
Ala.	96 5.3%	104 5.8%	41 3.0%
Ark.	4 0.5%	17 3.7%	4 1.1%
Fla.	3 1.9%	0	2 1.3%
Ga.	14 1.5%	8 0.8%	16 1.9%
Ky.	38 1.9%	65 1.0%	72 1.3%
La.	3 1.0%	3 1.5%	3 1.7%
Miss.	29 2.2%	38 3.2%	3 0.3%
N.C.	304 11.6%	144 3.7%	42 1.3%
Okla.	88 5.4%	30 1.0%	14 0.7%
Puerto Rico	0	0	0
S.C.	19 5.9%	12 2.1%	4 0.8%
Tenn.	160 9.2%	144 3.2%	33 0.9%

(continued)

**Appendix II
Conservation Compliance Violations
Reported by SCS State Offices, 1991
Through 1993**

Number and percent

State	Year of status review		
	1993	1992	1991
Tex.	13 0.6%	31 0.6%	15 0.5%
Subtotal	771 4.8%	596 2.1%	249 1.1%
West region			
Alaska	0	0	0
Ariz.	0	0	0
Cal.	11 2.7%	7 2.0%	0
Colo.	12 0.7%	18 0.6%	10 0.5%
Hawaii	0	0	0
Ida.	15 1.4%	18 1.5%	35 3.5%
Mont.	35 1.6%	3 0.1%	1 0.2%
Nev.	0	0	0
N.Mex.	0	0	1 0.3%
Ore.	15 2.9%	13 4.5%	9 2.5%
Utah	4 4.2%	1 0.5%	0
Wash.	35 3.4%	32 3.0%	1 0.1%
Wyo.	1 0.5%	1 0.3%	0
Subtotal	128 1.6%	93 0.8%	57 0.9%

Notes: Percentage calculated based on total number of status-reviewed tracts requiring a plan. The total number of tracts reviewed for compliance were 48,418 (1993), 93,233 (1992), and 70,988 (1991). Additional farm tracts were status-reviewed but were excluded from reported compliance determinations because SCS county offices decided that these tracts were not subject to conservation compliance. These tracts were excluded for various reasons, for example, they did not contain any highly erodible fields. The numbers of excluded tracts were 5,484 (1993), 4,593 (1992), and 214 (1991).

Our review of swampbuster data, discussions with SCS officials, and a USDA Department of Agriculture, Office of Inspector General (OIG), audit all indicate the data available on swampbuster violations are unreliable.

Sources: For 1991 and 1992, SCS data compiled by the Center for Resource Economics, a nonprofit environmental research and publishing organization (1993); for 1993, Strategic Planning Division, SCS.

Status Reviews in Compliance Due to Conditions and Variances Granted by SCS County Offices, by State, 1991 Through 1993

Number and percent			
State	1993	1992	1991
Total, U.S.	6,625 14.2%	13,174 14.1%	11,555 16.3%
Midwest region			
Ill.	336 13.4%	1,025 18.3%	799 18.2%
Ind.	21 2.0%	148 3.0%	2,134 81.8%
Iowa	694 30.3%	1,074 14.5%	717 11.2%
Kans.	73 3.5%	5,862 95.4%	0 0.0%
Mich.	145 16.4%	37 4.2%	35 3.3%
Minn.	75 7.9%	67 4.1%	34 1.9%
Mo.	633 31.9%	1,208 25.8%	667 17.6%
Neb.	331 17.2%	609 8.9%	2,082 49.9%
N.Dak.	68 5.2%	244 9.3%	193 10.3%
Ohio	118 11.0%	155 7.5%	169 8.6%
S.Dak.	85 6.4%	79 5.2%	74 5.2%
Wis.	194 11.9%	211 4.8%	296 8.0%
Subtotal	2,773 14.6%	10,719 22.0%	7,200 19.8%
Northeast region			
Conn.	7 15.6%	0 0.0%	2 5.7%
Del.	6 24.0%	1 7.1%	2 22.2%
Me.	0 0.0%	0 0.0%	0 0.0%
Md.	98 20.0%	49 12.5%	24 7.5%
Mass.	3 9.7%	0 0.0%	6 13.6%
N.H.	0 0.0%	1 5.0%	3 21.4%

(continued)

Appendix III
Status Reviews in Compliance Due to
Conditions and Variances Granted by SCS
County Offices, by State, 1991 Through 1993

Number and percent

State	1993	1992	1991
N.J.	22 20.2%	15 12.7%	7 6.2%
N.Y.	105 11.9%	79 5.9%	124 10.4%
Pa.	468 34.0%	627 24.0%	480 23.7%
R.I.	0 0.0%	1 25.0%	1 33.3%
Vt.	5 15.6%	1 1.1%	1 0.8%
Va.	267 19.5%	95 6.2%	133 6.8%
W.Va.	13 9.0%	7 3.1%	3 1.6%
Subtotal	994 21.3%	876 13.4%	786 12.8%
South region			
Ala.	263 15.4%	57 3.2%	795 57.2%
Ark.	97 13.1%	23 5.0%	30 8.3%
Fla.	11 7.3%	0 0.0%	12 7.8%
Ga.	117 12.6%	32 3.4%	82 10.0%
Ky.	148 7.5%	250 4.1%	460 8.1%
La.	40 13.0%	17 8.6%	20 11.5%
Miss.	147 11.3%	86 7.3%	92 9.0%
N.C.	463 19.9%	39 1.0%	349 10.6%
Okla.	243 15.9%	99 3.5%	351 16.5%
Puerto Rico	3 14.3%	15 100%	0 0.0%
S.C.	10 3.3%	36 6.6%	9 1.8%
Tenn.	385 24.4%	354 7.9%	438 12.4%
Tex.	144 6.1%	148 3.2%	142 4.3%

(continued)

**Appendix III
Status Reviews in Compliance Due to
Conditions and Variances Granted by SCS
County Offices, by State, 1991 Through 1993**

Number and percent

State	1993	1992	1991
Subtotal	2,071 13.6%	1,156 4.2%	2,780 12.5%
West region			
Alaska	2 33.3%	0 0.0%	0 0.0%
Ariz.	14 25.9%	2 11.8%	74 28.2%
Cal.	24 6.1%	39 12.5%	101 35.8%
Colo.	193 11.8%	238 8.5%	208 9.7%
Hawaii	0 0.0%	1 33.3%	2 50.0%
Ida.	76 7.1%	54 4.7%	73 7.4%
Mont.	217 10.2%	48 1.2%	89 13.4%
Nev.	3 8.1%	13 15.7%	5 15.2%
N.Mex.	23 3.7%	13 2.2%	171 43.7%
Ore.	107 21.0%	0 0.0%	12 4.3%
Utah	0 0.0%	0 0.0%	1 0.6%
Wash.	114 11.3%	0 0.0%	39 5.5%
Wyo.	14 7.1%	15 5.2%	14 7.1%
Subtotal	787 10.2%	423 3.9%	789 12.8%

Note: The total number of tracts reviewed for compliance were 48,418 (1993), 93,233 (1992), and 70,988 (1991). Additional farm tracts were status-reviewed but were excluded from reported compliance determinations because SCS county offices decided that these tracts were not subject to conservation compliance. These tracts were excluded for various reasons, for example, they did not contain any highly erodible fields. The numbers of excluded tracts were 5,484 (1993), 4,593 (1992), and 214 (1991).

Sources: For 1991 and 1992, SCS data compiled by the Center for Resource Economics, a nonprofit environmental research and publishing organization (1993); 1993, Strategic Planning Division, SCS.

Comments From the U.S. Department of Agriculture

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



United States
Department of
Agriculture

Soil
Conservation
Service

P.O. Box 2880
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20013

SEP 05 1994

SUBJECT: U.S. General Accounting Office Draft Report RCED-94-241, Soil and Wetlands Conservation: Soil Conservation Service Making Good Progress But Cultural Issues Need Attention

TO: John W. Harman, Director, Food and Agriculture Issues, U.S. General Accounting Office

We appreciate the opportunity to respond to your draft subject report dated July 18, 1994, and we will correct in a timely and appropriate manner the program's limitations you have identified. As I stated in a recent report detailing the 1993 status review results, we must continue to struggle to curb soil erosion, and there is no question that we can do better, in part aided by the recommendations made in your report.

There is no question in my mind that the program's substantial soil savings validate many of the choices SCS made in the first years of the program. Our 1993 status review reports indicate that soil erosion will be reduced nationwide from an average of 17 tons per acre to 6 tons per acre a year, or 66 percent, when plans are fully implemented on highly erodible lands. The program, therefore, is expected to conserve more than 1 billion tons of soil annually nationwide. This reduction is essential because it protects the long-term productivity of this Nation's most vulnerable cropland and other critical natural resource values.

Before discussing our responses to your recommendations, the limitations and other programmatic concerns expressed in your report must be considered in the context of the program's legislative and administrative history.

Over the past nine years, the Soil Conservation Service (SCS) has implemented the most intensive, comprehensive soil conservation effort on privately owned land in the history of this country. When we initiated this program in 1986, our employees were faced with inventorying 400 million acres of cropland, identifying 145 million acres of highly erodible land requiring approved conservation systems, developing 1.7 million conservation plans, and developing the related quality assurance and enforcement mechanisms. The scope and intensity of this effort was significantly beyond anything ever before attempted by the agency, and the effort strained the agency's resources to the maximum extent possible.



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See comment 1.

Appendix IV
Comments From the U.S. Department of
Agriculture

John W. Harman

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SCS's goal for the highly erodible lands conservation program has been and remains achieving major and significant soil savings. The agency has attempted to reach this goal in the best manner possible, given time constraints, a lack of critical information, field computerization, and the ability to record and send data electronically. When faced with the choice of investing possibly too much in management controls or too much in working cooperatively and directly with the farmer to get conservation on the ground, we have consciously chosen the side of conservation. We support the development and utilization of more effective management controls and the associated mechanisms, but the primary activity has always been to get good conservation practices on the ground by working directly with the farmer.

See comment 2.

With regards to the Swampbuster program, it should be noted that implementation of the program was delayed by the Congressional and national debates concerning Federal wetlands policy. Starting in late 1989, Swampbuster implementation was swept up in this debate, which delayed or slowed wetland delineations, certifications, and other elements of an effective Swampbuster program. This delay largely ended with the announcement of President Clinton's wetlands policies in August 1993, and SCS is moving forward with implementing Swampbuster in a manner consistent with the President's policy and the law.

See comment 3.

Specific responses to recommendations:

1. Establish an annual status review process for the Swampbuster program to assess farmers' compliance with the wetlands regulations.

We agree with your recommendation to establish an annual status review process specifically for wetlands. It is being designed for use in FY 1995.

2. Give State office responsibility for conducting annual status reviews for the conservation compliance and Swampbuster programs to avoid the conflict that county office staff encounter between advisory and regulatory roles. One measure to avoid this conflict could be for State offices to rotate county office staff conducting the status reviews so that no SCS personnel inspects farmers in their own community.

We believe that any changes SCS might make in the status review process to deal with the conflict you have described must be closely aligned with the resolution of the "cultural conflict" you identified in your final recommendation. For this reason, and others, SCS would prefer not to alter the current status review process pending the outcome of the course of actions described in our response to your final recommendation.

See comment 4.

See comment 5.

Appendix IV
Comments From the U.S. Department of
Agriculture

John W. Harman

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See comment 6.

Another reason for hesitating to make your recommended change is that the current evidence from our State offices is inconclusive as to whether or not real improvements could be expected from adopting the approach you have recommended. For example, about one-third of the states currently assign non-resident office staff to perform this duty in the manner you have recommended. The percentage of "not actively applying" and other determinations in these circumstances is the same as those for the other status review methods adopted by the states. Adding further weight to this decision not to change the current review process is the evidence indicating that using non-resident field office staffs takes longer to perform, loses timeliness, and costs more.

3. Give the Assistant Chiefs clear oversight authority of SCS State and county offices to ensure that conservation compliance plans and wetland identifications follow the revised guidance and that these offices fully and uniformly enforce these programs.

See comment 7.

The Assistant Chiefs will be given clear oversight authority for SCS state and county offices through our reinventing plan. On October 1, 1994, Assistant Chiefs become budget allottees for their respective states. The Assistant Chiefs will be held accountable for conservation compliance and wetlands programs, including consistency and enforcement.

In addition, the National Food Security Act Manual, Edition 3, which is in press, clearly spells out Assistant Chief's responsibilities.

4. Set performance goals for soil and wetland conservation, annually assess progress towards these goals, and submit the results to the Congress in USDA's annual budget submission.

See comment 8.

We agree that better performance goals need to be established for the program. We are establishing performance goals for soil and wetland conservation, i.e., acres of restored wetland, number of wetland determinations recertified, etc.

SCS is moving towards field level computerization and greater automation, and this will allow better, low cost data collection and reporting and will help institute the accountability and progress reporting necessary to indicate program performance.

Additionally, the Conservation Operations Program is a pilot project under the Government Performance Results Act. We will establish performance measures for conservation activities and link each measure to actual expenditures. This pilot begins in September 1994, with measurements developed in 1995.

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Comments From the U.S. Department of
Agriculture


John W. Harman

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5. Develop a strategy to resolve the cultural conflict between the traditional role of SCS which fosters voluntary conservation by farmers and its new regulatory role. This strategy could include training of staff to help them adapt to their regulatory responsibilities and require SCS National Headquarters to apply more oversight and accountability in State and county offices.

SCS believes that determining commodity program eligibility is not a regulatory activity in the traditional sense of the word, but we fully recognize the problems that farmers have with SCS playing this new role. We also are fully aware of how difficult a situation this has created for the SCS employees who have previously been in the traditional role of working with farmers, using voluntary methods to achieve their conservation goals. We do not believe that SCS is in a position to resolve this "cultural" conflict alone. SCS's role has changed and evolved since the 1985 Farm Bill, in part without clear guidance from Congress on this issue. We believe that Congress and the agricultural committees need to more adequately discuss the nature of this role and the degree of movement in this direction that Congress believes is appropriate for SCS, and that an appropriate time for this will be during the upcoming farm bill debates.

See comment 9.


PAUL W. JOHNSON
Chief
Acting

The following are GAO's comments on the September 6, 1994, letter from the U.S. Department of Agriculture.

GAO's Comments

1. As noted in USDA's letter, SCS' 1993 status review reports indicate major reductions in soil erosion attributable to farmers fully implementing their conservation plans by the end of 1994. These data were not available in time for us to fully evaluate them during our audit. However, we have raised several questions with USDA officials about the validity of the projected 1 billion tons of soil savings attributed by USDA to the conservation compliance program. On the basis of discussions with SCS officials, we determined that this figure includes estimated soil savings from 36 million acres retired under the Conservation Reserve Program, a separate program from the conservation compliance program. Moreover, data released in July 1994 from SCS' 1992 National Resources Inventory estimated actual soil savings from the Conservation Reserve Program to be about 369 million tons. Therefore, as much as 37 percent of USDA's projected 1 billion tons of soil savings could be based on the benefits achieved under a separate program and not the conservation compliance program.
2. USDA states that SCS supports the development and utilization of more effective management controls and associated mechanisms to correct the conservation compliance and swampbuster program management problems identified in this report. However, USDA states that when SCS has been faced with difficult choices concerning the investment in management controls versus working cooperatively with the farmer to get good conservation on the ground, SCS has consciously chosen the latter course of action. As stated in our report, SCS has made noteworthy progress in implementing program requirements. However, 9 years have passed since the enactment of these programs, and by January 1995, farmers' conservation plans are to be fully implemented. We agree that getting good conservation practices on the ground is one of the primary goals of the program but equally important is the establishment of sound management controls and systems to ensure that plans are being implemented. Moreover, as this report and several other studies have documented, SCS' management problems have reduced the programs' full potential to achieve soil and wetlands conservation benefits.
3. We are aware of the long-running debate surrounding federal wetlands policy. We are also aware of the impact that debate had on SCS' suspension of most swampbuster program activities in May 1991, despite

congressional action in the Food, Agriculture, Conservation and Trade Act of 1990 directing USDA to complete and certify wetlands identifications for the swampbuster program. In this report, we focus on the good progress SCS has made since January 1994 to reform its swampbuster program in several areas as a result of the President's August 1993 wetlands policy.

4. USDA agrees with our recommendation that SCS institute an annual status review process for the swampbuster program. USDA plans to design this process for use in 1995. However, because the proposed action will not be implemented before this report is issued, we continue to make this recommendation and will follow-up on USDA's implementation.

5. Although USDA does not disagree on the need for improvement, USDA believes SCS should not alter its current status review process pending the outcome of the course of actions described in USDA's response to our final recommendation (that SCS resolve its cultural conflict). For reasons we discuss in detail below, we believe that USDA need not delay corrective action on this recommendation pending congressional action on the 1995 farm legislation (see comment #9).

6. We revised our recommendation to more clearly state that we were suggesting one of several possible alternatives for SCS state offices to implement our recommendation. USDA said that no difference in the percentage of reported violations occurred when one-third of SCS state offices rotated county office staff to conduct status reviews outside of their community (compared with county staff inspecting farmers in their own community). In May 1992, SCS headquarters suggested that SCS state offices try this approach, but as we state in this report, this has not changed most county office practices. We believe a more systematic evaluation of this approach is merited, after it is more carefully implemented in a systematic manner.

7. In response to our recommendation, USDA agrees to give SCS assistant chiefs clear oversight authority over SCS state and county offices under its reinvention efforts. However, because USDA's proposed action will not be implemented until after this report is issued and we have not been provided the details on the scope of this organizational change, we continue to make this recommendation and will follow-up on its implementation.

8. USDA agrees that better performance goals need to be established for these programs and plans to establish and annually assess SCS

performance goals for soil and wetlands conservation. However, because this proposed action will be implemented after this report is issued, we continue to make this recommendation and will follow-up on its implementation.

9. In this report, we broadly apply the term “regulatory” to describe the conservation compliance and swampbuster programs, and thus SCS’ role as the lead federal agency for these programs. Technically, ASCS, not SCS, ultimately determines farm program eligibility for farmers whom SCS determines are not complying with the soil and wetlands regulations.

USDA agrees with us about the cultural conflict SCS employees have experienced with SCS’ regulatory role under these programs. Although USDA does not explicitly disagree with our recommendation to develop a strategy to resolve the cultural conflict within the agency over carrying out this regulatory role and its traditional role of fostering voluntary conservation by farmers, USDA wants to delay taking corrective action. According to USDA, SCS alone is not in a position to resolve this cultural conflict without first getting clear guidance from the Congress. USDA cites the lack of clear guidance from the Congress to date on the nature of SCS’ regulatory role under the conservation compliance and swampbuster programs and the appropriate “degree of movement” for SCS in carrying out a regulatory role. Furthermore, USDA does not describe any planned action to actively solicit such clear guidance from the Congress on this matter.

We agree that the Congress may consider SCS’ role anew as it debates the merits of farm program legislation in 1995. However, we do not believe that USDA needs to delay action on reassigning organizational responsibility for conducting status reviews and developing a strategy for implementing its assigned regulatory responsibilities pending congressional action. In our view, in both the 1985 and 1990 farm legislation the Congress has set forth its expectation that SCS will assume regulatory responsibilities under the conservation compliance and swampbuster programs. In particular, by expanding in 1990 the number of farm program benefits subject to loss if farmers do not comply with these programs, the Congress signaled that these regulatory responsibilities were to be fully implemented. Decisions concerning organizational structures and implementation strategies are essentially an administrative function that properly rests with SCS. Addressing the cultural barriers within its organization that impede the effective assumption of its assigned regulatory role is simply part of SCS’ administrative and management responsibilities.

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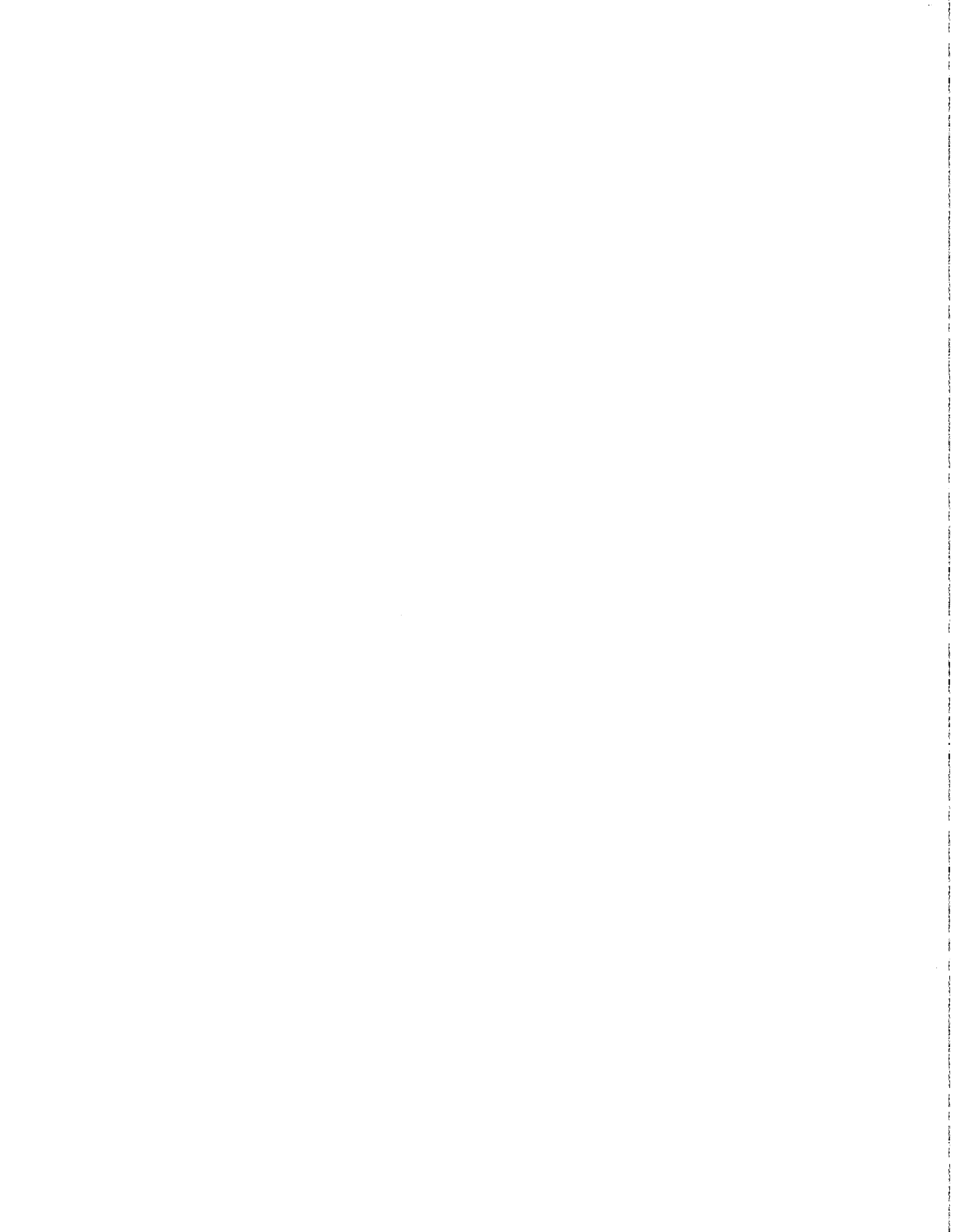
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