

QUESTIONS SUBMITTED BY CONGRESSMAN STENHOLM (11/9/93)

FARM SERVICE AGENCY (SEC. 102)

Question 1: How will the roles and responsibilities of staff of the FmHA, ASCS, and FCIC at the Federal, State and local levels change under the new Farm Service Agency? For example, will FmHA, ASCS, and FCIC simply be converted into separate divisions and continue to operate independently of one another under the Farm Service Agency banner?

Answer: In creating the Farm Service Agency we are merging the farm lending programs of the FmHA, farm income and price support programs of the ASCS, and the risk protection services of the FCIC. At the present time farm programs of the FmHA and ASCS are supported by separate committee structures at the county levels and separate staff offices at the county and state levels. Our reorganization proposal would merge the FmHA and ASCS committee structures and staff offices at the local and state levels. Thus while there will be separate program divisions in the national office for program and policy development, there will be a single consolidated delivery system in the field.

FCIC services are supported currently by regional service and compliance offices. Most sales and service functions at the local level are provided by private insurance agents and companies reinsured by FCIC. Our reorganization proposal would combine disaster assistance functions of FmHA, ASCS and FCIC at the headquarters level but would maintain the existing regional office structure for insurance services.

Farm Service Agency field service center staff will also provide administrative support for delivery of conservation cost-share programs under a reimbursable agreement with NRCS. ASCS county level (non-Federal) staff with conservation program responsibilities will be retained in the Farm Service Agency rather than transferred to NRCS. Producers will, thus, be able to continue to apply for the Agricultural Conservation Program and for related NRCS assistance through Farm Service Agency offices. Agricultural Conservation Committees will be established with representation from Farm Service Agency county/area committees and soil and water conservation districts to provide advice on implementation of the conservation cost-share programs and to approve applications for assistance.

Question 2: Since employees who now work for FmHA, FCIC, and ASCS will become employees of a single Farm Service Agency, which will be charged with delivering a much wider range of farmer services, what types of cross-training will be required of them (both at the Federal and local levels)? What plans are you making to do so?

Answer: In terms of our overall reorganization, we want to use cross-training wherever possible as well as improved technology so that our employees will have more challenging jobs and our customers will receive better services. Our intent is to cross-train local staff in the general administrative procedures necessary to serve as a first point of contact with the clientele for any of the FSA programs. However, we do not expect to convert commodity program specialists to credit program specialists, or vice-versa. The cross training being planned will only deal with basic procedures needed to provide basic administrative services in the "one-stop-shopping" mode. Training programs being developed will cover such basics as general administrative procedures, use of office technology for information sharing, etc.

Question 3: How will the field structure of Farm Service Agency be configured? For example, will State and district/area offices continue to exist between the National and local levels?

Answer: The Farm Service Agency will consolidate the State, area, and county field structure of ASCS, FCIC and the farm lending programs of FmHA into a single agency for delivery of farm services. FmHA and ASCS farm programs currently administered at the local level by separate county offices will be delivered through a consolidated county or area office. These offices will to the extent possible be collocated with NRCS and other USDA offices to provide "USDA Service Centers" at the local level. Separate ASCS and FmHA county committee structures would also be merged.

Managers in national headquarters area offices and in state offices will provide coordination between program delivery and headquarters program and administrative operations. Regional offices of the FCIC will be linked to county offices of the Farm Service Agency but will maintain the primary focus of working with private crop insurance companies. The Farm Service Agency field structure will include 51 State offices, about 2,500 county offices involved with commodity and credit programs, plus regional service and compliance offices associated with crop insurance programs.

Question 4: How will State Farm Service Agency directors be selected? Will the Secretary choose between the current FinHA and ASCS State directors?

Answer: As under current procedures, we anticipate state directors for both the Farm Service Agency and the Rural Community and Economic Development agencies would be appointed by the Administration on the basis of nominations from the senior member of the state Congressional delegation.

Question 5: Will local (county/area) Farm Service Agency directors be converted to Federal civil service status? How will they be selected?

Answer: We do not propose to change the status of ASCS county office employees in our reorganization. However, our proposed legislation would provide authority to use ASCS county employees and other Federal county-level employees interchangeably. One intent of this legislation is to permit us to organize a single workforce under a supervisor within each office. The supervisor would be appointed on the basis of merit irrespective of whether he or she is a Federal employee or an ASCS county-office employee.

Question 6: In field offices, what will be the relationship between Federal civil servants and non-Federal personnel? Who will supervise them, and will they be supervised under the same personnel rules and regulations? How will the seniority system work? What potential conflicts do you foresee as a result of their different employment and pay status, and how do you intend to resolve them? Do you anticipate converting county ASC employees to Federal status, and why or why not?

Answer: As indicated earlier, non-Federal employees will not be converted to Federal employees. However, our legislation contains provisions which would make the management of county offices more effective by providing for the interchangeability of Federal and non-Federal employees within those offices. The intent of the provisions is to permit us to establish an integrated workforce under a single supervisor within each office. The office supervisor will have overall responsibility within guidelines provided by the Administrator of the Farm Service Agency for staffing, equal employment opportunity, and for all of the aspects of office supervision consistent with that position. As suggested, we will need to take a close look in this process at pay scales, seniority status and other rules and procedures to ensure consistent standards throughout the system.

Question 7: Will FSA employees be responsible for selling crop insurance policies at farm service centers? How will the current reliance on the private insurance sector be altered under the new structure? Will farmers be visited at their homes, or will insurance become available only through FSA offices? How will the roles of area claims offices, and the processing of claims, change?

Answer: The reorganization proposal, which merges FCIC within FSA, will not affect the basic delivery features of the crop insurance program. However, the Department is also developing legislation for a major reform of this program. While the Department has not yet made a final decision we can assure you that our reform proposal will provide for the continuation of private insurance sector delivery of the bulk of the program. We would anticipate that private sector insurance companies would maintain their practices used in selling the insurance, including visits to farmers' homes to explain the program and complete sales contracts.

As for sales through FSA offices, crop insurance is already being sold on a limited basis through some ASCS offices. In order to achieve the level of participation we would like to see in the program, and to give farmers as much flexibility as possible in signing up for the program, we are considering options for delivering a portion of the reformed program through FSA offices. However, farmers would have the choice of doing business with private insurance companies, as long as such companies were available to provide service in their area.

FCIC's existing service and compliance offices have already been reorganized to reflect the long term trend from direct sales to reinsurance of private sector business. These offices would become part of FSA and be linked to the farm service centers, while maintaining their primary focus on working with private sector companies. We anticipate that claims would be handled in much the same manner as they are now.

QUESTIONS SUBMITTED BY CONGRESSMAN STENHOLM (11-09-93)

STATE, COUNTY, AND AREA COMMITTEES

Question 1: Currently, legislation requires ASCS and FmHA county committees. Does Sec. 103, which would merely permit State, county, or area committees, signify that the Secretary might choose not to utilize such committees in some area?

Answer: The Secretary intends to utilize State and local area or county committees in all areas served by the FSA. Multi-county area committees would be utilized in areas where the FSA field service center serves more than one county. Area committee members would be selected from the entire area served by the local FSA office.

Question 2: What specific powers and responsibilities will local committees be given if this legislation is approved? What procedures will be used to select committee members -- both for those to be elected and those to be appointed by the Secretary? Will the appointed members have expertise, duties and authorities which differ from the elected members?

Answer: The local area or county committees will retain essentially the same responsibilities as the current ASC and FmHA county committees for those programs which are the responsibility of FSA. The major change will be the transfer of responsibilities connected with the conservation cost-share programs transferred to NRCS. A new agricultural conservation committee comprised of representatives of the local FSA committee and the local Soil and Water Conservation Districts will be formed to provide advice on the implementation of the conservation cost-share programs and to approve individual applications for assistance.

Committee members will be elected or selected from the entire area served by the local FSA service center.

Appointed members will have the same responsibilities as elected members. However, there is no requirement that the appointees be farmers. The plan would allow nonfarmers with expertise in agricultural finance, management or law to be selected when that would be useful.

Question 3: Because local committees will have responsibility for overseeing a broader range of programs, should membership be expanded to more than five? Could the appropriate number be determined locally, perhaps within a fixed range?

Answer: Currently local ASC committees and FmHA committees have three members each. Thus, a five-member committee would have nearly as many members as the existing committees it will replace. The combined committee's workload may benefit, at least indirectly, from the efficiencies achieved by the merger of the agencies. No significant change in local committee members' workload would be expected particularly if committees adopt appropriate procedures for conduct of committee responsibilities. A fixed number of five members for each committee will minimize the chance for committees to become deadlocked on matters for which a vote is needed. A six-member committee such as would occur with the merger of the two existing committees could be much more prone to tie votes.

Question 4: What plans does USDA intend to make to train committee members and/or provide them with additional technical assistance?

Answer: The Department will take all steps necessary to ensure that FSA committee members receive the training and technical assistance necessary to carry out their responsibilities. Existing procedures would be evaluated and modified as needed to provide the appropriate training and assistance.

Question 5: What is the rationale for appointing two county committee members?

Answer: While current ASC committee members and two of the three FmHA committee members are elected by farmers in the area, the current FmHA committees also include an appointed member so the FSA committee will continue that procedure. The appointment of two of the five members will ensure that the local committee will be representative of the entire area served and of the range of interests affected by the FSA. For example, an area-wide election in an area where one county has a majority of the area's producers could produce a result where no member would be selected from the remaining portions of the service area. The appointment process could permit the selection of members representative of the remaining portion of the area, for example. The appointments would permit the committees to be more broadly representative in cases where the election fails to do so. The appointment process also would permit the addition of nonfarmers with expertise in agricultural finance, law or management where that would be useful.

Question 6: What will be the relationship of local FSA committees to local FSA personnel? What will be their role in the supervision (hiring and/or firing, job evaluation, etc.) of these personnel, including the local FSA director?

Answer: The local FSA committee will have essentially the same relationship to local FSA personnel as do current county committees. Except that the committee will not have authority to remove Federal employees from Federal service. They may, however, appoint and remove FSA Federal employees from a specific position such as local FSA director.

Question 7: Will the local committees be involved in the appeals process, and, if so, how?

Answer: The local committees will continue to be the first level of appeal in the same way as they currently are.

QUESTIONS SUBMITTED BY CONGRESSMAN STENHOLM (11/9/93)

RURAL ECONOMIC AND COMMUNITY DEVELOPMENT

Question 1: If Farmers Home Administration (FmHA) farm programs will be moved to the new FSA, how will rural housing loans be made and serviced under your reorganization?

Answer: Rural housing loans will be made and serviced by the new Rural Housing and Community Development Service. Primary contact with borrowers for both loan making and loan servicing will take place in roughly 1,200 county and multi-county offices, many of which will be collocated with those of the FSA. Separate housing offices will be maintained in areas of heavy demand for the housing programs. Both loan making and loan servicing will be performed more efficiently due to investments in new automated systems which will allow for better tracking of loan status as well as escrowing for taxes and insurance. We are also reviewing options for centralized servicing of housing loans and will keep you informed of our review. Escrow capability will generate significant cost savings by helping borrowers to budget for their tax and insurance payments, which will save the agency from vouchering millions of dollars each year for unpaid taxes.

QUESTIONS SUBMITTED BY CONGRESSMAN STENHOLM (11/9/93)

NUTRITION RESEARCH AND EDUCATION SERVICE (SEC. 303)

Question 1: Does the office of the current Assistant Secretary for Food and Consumer Services have the technical capacity and experience to oversee and contract out basic or applied scientific research?

Answer: Contracts for basic and applied scientific research are not handled by the Office of the Assistant Secretary for Food and Consumer Services or other Under or Assistant Secretaries, they are handled by highly trained technical staff in scientific groups working in the agencies reporting to the appropriate Under or Assistant Secretaries.

The Nutrition Research and Education Service conducts applied research on human nutrition. The principal product of the agency is data on food intakes of Americans, an applied research activity that involves in home interviews of thousands of Americans in a stratified random survey model. The agency employs much of the technical expertise that is necessary for this work. Where it is impractical to maintain the expertise full time, NRES acquires necessary expertise through cooperative work arrangements with organizations like the Census Bureau or through contracts. A similar strategy is employed by most over Government agencies including those that do nutrition education and research and report to USDA's Assistant Secretary for Science and Education.

Question 2: How will the reorganized Department of Agriculture ensure the scientific integrity of nutrition research and education and keep it free of political considerations?

Answer: USDA has been criticized in the past regarding the appearance, whether real or perceived, of a conflict of interest in dealing with nutritional issues. The Department must balance the interests of the production and distribution chain with that of consumers. At any point in time, there will probably be some people who will perceive that the balance has been tilted in a way they do not like. Nutrition policy based on high-quality scientific research is a long-held principle at this Department and the reorganization, with its new emphasis on nutrition, will advance this. More attention being focused on nutrition research and education issues by the Assistant Secretary for Food and Consumer Services and the Assistant Secretary for Science and Education will cause the issues to be better considered than ever before.

Question 3: How do you intend, under a reorganized Department, to ensure that nutrition research and education activities are appropriately coordinated between all of the agencies with responsibilities in these areas?

Answer: In order to strengthen our policy and programmatic coordination in the nutrition education and research areas, we directed that a Nutrition Education and Research Coordinating Council be established. The Council will be co-chaired by the Under-Secretary for Food, Nutrition and Consumer Services (currently the Assistant Secretary for Food and Consumer Services) and the Assistant Secretary for Research and Economics (currently the Assistant Secretary for Science and Education). Council membership will include appropriate representation from all USDA agencies with significant nutrition education and research responsibilities. We are currently working out the details of the role and operation of this Council. In the end, we want to make sure that the elevated importance of nutrition results in making nutrition education a significant, integral part of each of the food assistance programs, and that the basic and applied scientific efforts focus on the most critical issues that need to be addressed both for the food programs and for all Americans.

Question 4: Will the proposed changes under the Under Secretary for Food, Nutrition and Consumer Services result in any changes in mission, emphasis or direction with regard to present nutrition research and education activities within the Department?

Answer: The most significant change will be the increased emphasis on nutrition and emphasis on encouraging food program participants and all Americans to follow the Dietary Guidelines. The reorganization involves no functional shifts from the research and economics area to the food, nutrition and consumer services area or vice versa. However, with the greater emphasis on nutrition in the food assistance programs and the increased coordination, positive results should be achieved both in the nutrition research and in the nutrition education areas.

QUESTIONS SUBMITTED BY CONGRESSMAN STENHOLM (11/9/93)

NATURAL RESOURCES CONSERVATION SERVICE

Question 1: What is the current breakdown of agricultural versus nonagricultural work (measured by customer, funding, and/or program activity), and how will that change under the new NRCS?

Answer: An internal analysis of SCS customers was done earlier this year drawing on data from the agency's financial and progress reporting systems. The analysis showed approximately 40 percent of the SCS staff years and technical assistance funding was devoted to Food Security Act workload with private landowners, about 30 percent was with other agricultural and nonagricultural private landowners, about 20 percent went to working with state and local government agencies and other Federal agencies, and the remaining 10 percent went for work with rural communities. We would not expect this general distribution of SCS clientele to change as a result of the reorganization, however with SCS being more and more recognized for its technical capabilities on natural resource management issues and as Department priorities change, we expect the new NRCS will be called on for assistance on matters that have significant nonagricultural dimensions.

Question 2: If cost-sharing programs currently under ASCS (e.g., ACP, CRP, etc.) are transferred to the new NRCS, who will determine program priorities for funds (particularly with regard to agricultural landowners), review project proposals, and disburse funds?

Answer: All policy development and implementation, program management and oversight for transferred programs will be NRCS responsibility. An Agricultural Conservation Committee will be established at each USDA field service center to work directly with the NRCS to approve NRCS recommendations on individual cost-share payments for programs transferred from ASCS. The Committee will have equal representation from FSA county/area committees and soil and water conservation districts within the field service center area and will provide a mechanism for local input into establishing conservation priorities, developing long-range conservation plans, and providing advice and counsel on conservation and agricultural issues. All technical and financial assistance for conservation programs would be offered through the NRCS. The ASCS payment system will be used to make cost-share payments for those programs transferred. Funds will be provided through reimbursable agreements with FSA for administrative support, cost-share payments, and software development.

Question 3: Does the NRCS currently have the technical and management capabilities to effectively carry out these additional responsibilities? Please provide an accounting of the number of national, State, and local-level staff now connected to ASCS (including local non-Federal employees) that will need to be shifted to the NRCS.

Answer: Yes, NRCS has the technical and management capabilities to carryout new responsibilities related to the conservation cost share programs. Discussions are underway now to determine the exact number of national and state level staff that should be transferred to NRCS and the appropriate level of reimbursable support NRCS should provide to FSA for work that will continue to be handled by FSA. At this time we would estimate the national and state level transfers would be in the range of between 80 and 140. In addition to final decisions on functional assignments, the number of employees ultimately transferred will also reflect the ongoing process to find ways to do more with less, and meet government-wide personnel reduction goals that will be set out in the Administration's 1995 budget.

It is important to note, however, that no local-level staff (including local non-Federal employees) will be shifted to NRCS. These employees will remain in FSA county offices, working under FSA supervision, with financing from NRCS under a reimbursable agreement.

Question 4: If the NRCS employs FSA personnel to provide administrative assistance to operate certain conservation programs, would this assistance be calculated into FSA employee's workload evaluation?

Answer: Yes, this will be stipulated in the reimbursable agreement with the FSA.

Question 5: Please also provide data on anticipated reductions in paperwork and other administrative requirements anticipated as a result of program transfers.

Answer: Considerable opportunity exists to reduce forms, simplify procedures, consolidate field manuals, and expedite services to farmers. In addition, savings from consolidating USDA conservation programs will accrue over time. Although savings will be limited in FY 1994, by 1998 we anticipate that a total cumulative savings of 250-300 staff years in NRCS employment levels can be realized.

Question 6: What will be the relationship at the local/field office level of NRCS employees to FSA employees? Does the Secretary's implementation plan anticipate a single field office supervisor overseeing the work of employees of both agencies, or will there be two separate supervisory structures at the local level?

Answer: NRCS and FSA employees will be collocated in the USDA field service center and will work closely in administering conservation programs. While the local NRCS employee will have the line authority for dealing with day-to-day decisions on conservation programs, we will continue to rely on FSA county committee non-Federal employees for administrative support and cost-share payments. We also plan to maintain two separate supervisory structures at the local level.

Question 7: Could situations occur where local NRCS employees might be assigned to work under local FSA supervisors--and, conversely, local FSA employees assigned to work under NRCS supervisors?

Answer: While we don't anticipate these types of situations, there may be instances where a local field service center is staffed only by an NRCS or FSA employee.

Question 8: It is our understanding that SCS and ASCS currently have differing regulatory definitions for many terms (e.g., cropland, farm) that could cause policy conflicts at the local level, and, where potential conflicts arise, how will they be resolved?

Answer: We hope to avoid these types of conflicts by consolidating policies and procedures for all conservation programs into one field office manual. This will lead to a more consistent set of regulatory definitions as well as conservation program policies. The local NRCS employee will have responsibility for resolving any policy conflicts should they arise.

Question 9: How will FSA farm production program and policy work be coordinated with NRCS conservation program and policy work at the local level, and, where potential conflicts arise, how will they be resolved?

Answer: Much of the coordination on farm production and policy work will be handled by the Agricultural Conservation Committee which will be equally represented by FSA county committees and soil and water conservation districts within the field service center area. The committee will serve as the interface between commodity and conservation activities at the local level and provide counsel and advice to the NRCS and FSA on conservation and agricultural matters and could also serve as the first level of consideration in the appeal process. In this way, we hope to avoid any conflicts.

Question 10: Will the roles of the local soil and water conservation districts/boards need to be changed, and in what way?

Answer: In addition to serving on the Agricultural Conservation Committee, the local soil and water conservation district will continue to have the following responsibilities:

- Develop a long-range conservation plan and an annual plan of work for conservation activities within the district.
- Coordinate all conservation activities within their district.
- Establish conservation program priorities
- Administer State and local conservation cost-share programs as appropriate.
- Assist in implementation of Federal conservation programs.

Question 11: Why does H.R. 3171 specifically prohibit (in Sec. 102, lines 21-23) the Secretary from transferring to the new FSA "conservation programs authorized to be assigned to the [NRCS] by section 401 of this Act"?

Answer: This language is not meant to prohibit the transfer of these conservation programs to the FSA by the Secretary. Rather the language was intended to highlight the proposal to retain these programs in the Natural Resources Conservation Service.

Question 12: We understand that USDA intends to collocate NRCS in the same offices where FSA is located in the field. How will the NRCS programs be delivered -- both to agricultural and nonagricultural customers -- in areas where agricultural activity does not warrant a FSA office?

Answer: In certain locations where agricultural activity is limited but where demand for conservation programs is sufficiently high, a NRCS office will operate alone without a counterpart FSA office.

QUESTIONS SUBMITTED BY CONGRESSMAN STENHOLM (11/9/93)

MARKETING AND INSPECTION SERVICES (SEC. 501)

Question 1: Many agricultural interests have questioned your reasoning in combining the Packers and Stockyards Administration (PSA) with the Federal Grain Inspection Service (FGIS) into a single agency. What commonalities do the two agencies share that make them candidates for consolidation?

Answer: They are both very small agencies. The Federal Grain Inspection Service was established by the Grain Standards Act in 1976. The Packers and Stockyards Administration was reorganized as a separate agency in 1981. As you know, at one time, they were both divisions of the Agricultural Marketing Service. We rejected the alternative of reestablishing them as divisions of the Agricultural Marketing Service due to the lack of sufficient visibility for these important activities. We expect to achieve administrative savings by combining these two small agencies.

Question 2: If food safety is considered such an important part of USDA's work, why does your proposed reorganization plan not make it more visible by separating this work from farm marketing and promotion activities and elevating FSIS and other food safety programs to an independent assistant or under secretary for food safety? Did you consider this option?

Answer: We evaluated a wide range of organizational options and spent a great deal of time on these issues. The Assistant Secretary for Marketing and Inspection Services indicates that he has spent about 80 percent of his time on these issues. The USDA agencies have been directed to develop a farm-to-table approach for ensuring that consumers will continue to have the safest food supply possible. We are on track to revolutionize the inspection system by introducing risk-based inspection principles. FSIS is being reorganized to emphasize its public health mission by encouraging sound science and new technologies to ensure food safety. The farm marketing and promotion activities in the Agricultural Marketing Service do not undercut our commitment to protecting public health. The personnel administering the marketing and promotion activities are separated from the actions of the meat and poultry inspectors. Obviously, at some point in the organization, a policy official would have joint responsibilities. However, we did not see a need to establish a separate subcabinet officer for food safety.

QUESTIONS SUBMITTED BY CONGRESSMAN STENHOLM (11/9/93)

RESEARCH AND EXTENSION QUESTIONS

Question: 1. If the Economic Research Service (ERS) will be reporting to an Assistant Secretary for Research and Economics, will there be one or two Deputy Assistant Secretaries--one for Economics (ERS, NASS, World Board), and one for ARS, CSRS, Extension, and the National Agricultural Library (NAL)?

Answer: Our current plans include one Deputy Assistant Secretary for Research, Education and Economics. We will carefully consider the qualifications of the individual in that position in relation to the Assistant Secretary to assure appropriate policy direction to the total set of research, education and economics programs.

Question: 2. Since ARS is larger in budget and staff than the other units combined, some are concerned that this holds the potential of creating an unbalanced relationship among the various Administrators, one favoring the current ARS philosophy and mission (including a reliance on centralized decision making) over that of the State cooperators. What will be the working relationship between the in-house and State research and extension functions?

Answer: Our plan provides for integrating the program staffs from the former ARS, CSRS, and Extension into mission oriented units. Therefore, the former agency administrator positions would not exist under the Agricultural Research and Education Service (ARES). By integrating the staffs, we expect to better coordinate research and education functions and also provide appropriate balance to in-house and extramural operations. We also plan to maintain close relationships with the States through liaison staffs that will serve as primary contact points within ARES.

Question: 3. Will there need to be an additional layering of administration to service the substantially different functions of ARS, CSRS, and ES? Why or why not? Will each of the units now headed by an Administrator continue to be headed by an Administrator?

Answer: We do not plan to have any additional layers of administration. In fact, our plan would result in significant consolidation of program planning and administrative support functions. By integrating program staffs along mission lines, we can avoid duplication of supervision for the research and education functions. We do not plan to have administrators as currently exist. Instead, we will have relatively small offices that will serve to coordinate with and manage programs available to the different clientele groups such as our State cooperators for research and extension.

Question: 4. If existing units (ARS, ERS, etc.), are combined or split up, what are the criteria upon which these decisions will be based?

Answer: Our decisions regarding the details of the new organization are being driven by our desire to achieve benefits of a closer relationship among research, education and economics functions. Benefits will include a synergistic effect from closer program planning and coordination and more efficient provision of administrative services. We will make this happen by combining closely related program functions, such as planning staffs for research and education programs, into one entity. Similarly, we are consolidating the administrative support functions into one organization as a means to save resources and provide a consistent level of support across these programs.

Question: 5. As you know, only 20% of the State and local Extension budget derives from the Federal level, and Cooperative Research is similarly funded. If Extension and Cooperative Research are combined with another unit, what implications does this have for research and extension work at the local level? More specifically, how do you propose to continue to be the national coordinator of the national Cooperative Extension System and the national Cooperative Research System under the proposed plan?

Answer: There should be little direct impact on research and Extension work at the local level. We plan to establish liaison units within the new Agricultural Research and Education Service to specifically relate to the research and Extension units at the State level. This will assure the continuation of the partnership that has been a critical feature of the success of these programs. In fact, our new organization, with its combined planning staff, will result in better coordination between Federal and state research and extension.

Question: 6. The proposed consolidation of agencies presently under Science and Education appears to form a very large service similar to the Science and Education Administration that was attempted and abandoned in the late 1970's. In what ways does the proposed new organization differ from this earlier effort?

Answer: The new organization will differ from the old Science and Education Administration (SEA) in at least two significant ways: First, the new organization will have fewer administrative levels and significantly less resources devoted to overhead staffs. For example, under SEA, the old agency structures with their administrator's offices remained essentially in place with a superstructure placed over them. Second, in the new organization we will fully integrate program staffs from the existing agencies, whereas under SEA program staffs remained separate.

Question: 7. Will the Agricultural Research and Education Service continue to include the full mission of the Extension Service as authorized by the Smith-Lever Act -- such as agriculture, economics, 4-H and youth development, family economics, etc.?

Answer: Yes, we intend to include the full mission of the Extension Service as authorized by the Smith-Lever Act within the Agricultural Research and Education Service.

Question: 8. The 1890's university system has a long history of focusing on underprivileged youth and families. Under the proposed structure, how will these colleges maintain these missions?

Answer: The 1890 university system will continue to maintain important missions related to underprivileged youth and families. In fact, under the new organization, the consolidated planning function should provide new opportunities for those institutions to expand their programs in coordination with other research and extension efforts.

QUESTIONS SUBMITTED BY CONGRESSMAN STENHOLM (11/9/93)

OTHER ISSUES

Question: 1. How does the Department intend to continue to abide by the Food, Agriculture, Conservation, and Trade Act of 1990 [Section 2501(g)(1)] for "consolidated suboffices" to be located in tribal headquarters' offices in counties where Indian reservations are located?

Answer: The Department has established about 50 such suboffices and is continuing to work with the tribes, through the Food and Agriculture Councils, to implement this FACT Act provision. The proposed reorganization should have no effect on this arrangement.

Question: 2. What other actions are you contemplating which would improve the availability and access of USDA programs to Native American farmers and ranchers?

Answer: Native American farmers and ranchers, like other customers of USDA services, will share in the benefits of the improved efficiency and greater service-orientation of the proposed reorganization. In addition, in administering its various programs, the Department will emphasize outreach and assistance to socially disadvantaged and underserved groups. The Department will also continue to work with the tribes on certain special arrangements, such as using the existing Farmers Home Administration Office in Arizona as a focal point for loan making and servicing for the Navajo Nation.

QUESTIONS FROM CONGRESSMAN E (Kika) DE LA GARZA

Question 1: How specifically does the Department plan to involve the unions in the process of reorganizing the proposed Farm Service Agency, the Department as a whole, and in the process of reinventing Government? Will the Department reopen the plans that have been presented today to provide the employee unions with an opportunity for input?

Answer: Deputy Under Secretary (and Interim Chairperson of the Farm Service Agency Reorganization) Dallas Smith is meeting with union representatives of the three affected agencies on December 10, 1993. Union representatives will be invited to participate as members of the various work groups. Unions will have ample opportunity to be involved in the full scope of reorganization efforts.

Question 2: It is my understanding that the USDA Partnership Council met last week, and that it included representatives from the National Federation of Federal Employees and the American Federation for Government Employees. Do you intend to include other unions that represent USDA employees, such as the National Treasury Employees Union and the American Federation of State, County, and Municipal Employees? If not, why?

Answer: In accordance with Executive Order 12871 partnership councils will be established at the level of recognition unless the local union is not interested in participating in a Partnership Council. Representatives of the U.S. Department of Agriculture, National Federation of Federal Employees, and American Federation of Government Employees entered into an Partnership Agreement on December 1, 1993. These two unions are the only unions that have recognition at the Department level. The National Treasury Employees Union, the American Federation of State, County, and Municipal Employees, and the other unions that do not have Department recognition on the Department Partnership Council will form partnership councils at the level of their recognition.

Question 3: Can you provide an update on the status of implementation of Executive Order 12871 (attached)? How is the Department going to address those needs (how to improve service delivery to Department customers and employees) as they affect reorganization? How will the Department work with the unions to formulate these effects?

Answer: As indicated in the response to question number 2, the Department entered into a formal written partnership agreement with two unions. On December 8, 1993, all agencies of the Department that have recognized unions were advised to form partnership councils at the appropriate level of recognition.

In addition, impacted unions will be given an opportunity to participate as partners in all matters involving the reorganization as well as many other issues affecting the conditions of employment. This Department is committed to fulfilling the obligations of Executive Order 12871 including collective bargaining on appropriate matters.

Question 4: The proposed plan for reorganization calls for the reduction of at least 7,500 federal staff years (6.7 percent) and by at least 1,000 staff years of non-Federal employment in USDA county offices over 5 years. Will other supervisory positions be reduced by the same amount? Can you provide information on how and when these reductions will be implemented, and to what extent will unions be involved in the process?

Answer: We expect supervisory positions for the Department will be reduced. Over the five year period of FY 1994-1998, we have estimated a reduction of about 10 percent in GS-14's, 15's and SES positions. We will be making staff reductions beginning in FY 1994 and continuing to FY 1998 to meet the 7500 staff year reduction target. As noted previously, we will work with the employee union's through partnership councils.

Presidential Documents

Title 3—

Executive Order 12871 of October 1, 1993

The President

Labor-Management Partnerships

The involvement of Federal Government employees and their union representatives is essential to achieving the National Performance Review's Government reform objectives. Only by changing the nature of Federal labor-management relations so that managers, employees, and employees' elected union representatives serve as partners will it be possible to design and implement comprehensive changes necessary to reform Government. Labor-management partnerships will champion change in Federal Government agencies to transform them into organizations capable of delivering the highest quality services to the American people.

By the authority vested in me as President by the Constitution and the laws of the United States, including section 301 of title 3, United States Code, and in order to establish a new form of labor-management relations throughout the executive branch to promote the principles and recommendations adopted as a result of the National Performance Review, it is hereby ordered:

Section 1. THE NATIONAL PARTNERSHIP COUNCIL. (a) *Establishment and Membership.* There is established the National Partnership Council ("Council"). The Council shall comprise the following members appointed by the President:

- (1) Director of the Office of Personnel Management ("OPM");
 - (2) Deputy Secretary of Labor;
 - (3) Deputy Director for Management, Office of Management and Budget;
 - (4) Chair, Federal Labor Relations Authority;
 - (5) Federal Mediation and Conciliation Director;
 - (6) President, American Federation of Government Employees, AFL-CIO;
 - (7) President, National Federation of Federal Employees;
 - (8) President, National Treasury Employees Union;
 - (9) Secretary-Treasurer of the Public Employees Department, AFL-CIO;
- and
- (10) A deputy Secretary or other officer with department- or agency-wide authority from two executive departments or agencies (hereafter collectively "agency"), not otherwise represented on the Council.

Members shall have 2-year terms on the Council, which may be extended by the President.

(b) *Responsibilities and Functions.* The Council shall advise the President on matters involving labor-management relations in the executive branch. Its activities shall include:

- (1) supporting the creation of labor-management partnerships and promoting partnership efforts in the executive branch, to the extent permitted by law;

(2) proposing to the President by January 1994 statutory changes necessary to achieve the objectives of this order, including legislation consistent with the National Performance Review's recommendations for the creation of a flexible and responsive hiring system and the reform of the General Schedule classification system;

(3) collecting and disseminating information about, and providing guidance on, partnership efforts in the executive branch, including results achieved, to the extent permitted by law;

(4) utilizing the expertise of individuals both within and outside the Federal Government to foster partnership arrangements; and

(5) working with the President's Management Council toward reform consistent with the National Performance Review's recommendations throughout the executive branch.

(c) *Administration.* (1) The President shall designate a member of the Council who is a full-time Federal employee to serve as Chairperson. The responsibilities of the Chairperson shall include scheduling meetings of the Council.

(2) Council shall seek input from nonmember Federal agencies, particularly smaller agencies. It also may, from time to time, invite experts from the private and public sectors to submit information. The Council shall also seek input from companies, nonprofit organizations, State and local governments, Federal Government employees, and customers of Federal Government services, as needed.

(3) To the extent permitted by law and subject to the availability of appropriations, OPM shall provide such facilities, support, and administrative services to the Council as the Director of OPM deems appropriate.

(4) Members of the Council shall serve without compensation for their work on the Council, but shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law, for persons serving intermittently in Government service.

(5) All agencies shall, to the extent permitted by law, provide to the Council such assistance, information, and advice as the Council may request.

(d) *General.* (1) I have determined that the Council shall be established in compliance with the Federal Advisory Committee Act, as amended (5 U.S.C. App. 2).

(2) Notwithstanding any other executive order, the functions of the President under the Federal Advisory Committee Act, as amended, except that of reporting to the Congress, that are applicable to the Council, shall be performed by the Director of OPM, in accordance with guidelines and procedures issued by the Administrator of General Services.

(3) The Council shall exist for a period of 2 years from the date of this order, unless extended.

(4) Members of the Council who are not otherwise officers or employees of the Federal Government shall serve in a representative capacity and shall not be considered special Government employees for any purpose.

Sec. 2. IMPLEMENTATION OF LABOR-MANAGEMENT PARTNERSHIPS THROUGHOUT THE EXECUTIVE BRANCH. The head of each agency subject to the provisions of chapter 71 of title 5, United States Code shall:

(a) create labor-management partnerships by forming labor-management committees or councils at appropriate levels, or adapting existing councils or committees if such groups exist, to help reform Government;

(b) involve employees and their union representatives as full partners with management representatives to identify problems and craft solutions to better serve the agency's customers and mission;

(c) provide systematic training of appropriate agency employees (including line managers, first line supervisors, and union representatives who are

Federal employees) in consensual methods of dispute resolution, such as alternative dispute resolution techniques and interest-based bargaining approaches:

(d) negotiate over the subjects set forth in 5 U.S.C. 7106(b)(1), and instruct subordinate officials to do the same; and

(e) evaluate progress and improvements in organizational performance resulting from the labor-management partnerships.

Sec. 3. NO ADMINISTRATIVE OR JUDICIAL REVIEW. This order is intended only to improve the internal management of the executive branch and is not intended to, and does not, create any right to administrative or judicial review, or any other right, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

William J. Clinton

THE WHITE HOUSE,
October 1, 1993.

(FR Doc. 93-24751

Filed 10-4-93; 5:00 pm)

Billing code 3195-01-M

QUESTIONS FROM CONGRESSMAN STENHOLM
FSA--NRCS--LOCAL OPERATIONS

Question 1: We had asked for data on anticipated reduction in paperwork and other administrative requirements as a result of cost-share program transfers to the new conservation agency. In response, you state that "considerable opportunity exists to reduce forms, simplify procedures, consolidate field manuals, and expedite services to farmers." Please elaborate on this statement. For example, walk me through how an application for ACP funding will be processed in the future, compared with how it's done currently.

Answer: Current ACP sign-up procedure requires a producer to make a request for cost-share assistance through the Agriculture Stabilization and Conservation Service (ASCS). ASCS provides the initial assistance to the producer to describe the resource problem and determine a solution. ASCS forwards the referral to the Soil Conservation Service (SCS) to make a field review of needs and feasibility. SCS inventories the situation and provides a finding and recommendation to ASCS. In some cases, practices originally requested do not solve the conservation problem and producers must amend their application. The ASCS County Committee reviews SCS's findings and recommendation contained on Form AD-862 and acts to approve or disapprove the cost-share request. If approved, the producer is notified they may begin practice installation. SCS provides design and lay-out assistance to apply the practice. If a significant change in units of a practice is needed, or an extension of time to complete a practice is needed, ASCS authorization is required. After SCS certified that the practice meets standards and specifications, ASCS issues the payment.

Our approach to this transfer has the primary goal of insuring any changes are transparent to our customer. The producer will apply for assistance at the USDA Field Office Service Center. The application will be handled by the local FSA non-Federal employee(s) as outlined in the reimbursable agreement between the Natural Resources Conservation Service (NRCS) and the local FSA county committee. The current informal cooperation between ASCS and SCS will be formalized by this agreement and will identify the administrative and check writing services provided by the local FSA office, and how it will interact with the local NRCS employee on policy questions. Once the NRCS has completed the necessary administrative work, with assistance from the local FSA office, and the necessary technical assistance for design and implementation of a practice, the appropriate form will be passed to the FSA for payment to the customer.

With the transfer of policy and procedural responsibilities to the NRCS, the immediate gains will be in eliminating the passing of paperwork back and forth between the two agencies. When the Info Share system is installed the transfer of information will be greatly simplified and will allow these transfers to occur electronically. The number of forms to be filled out by applicants will be reduced in the first year from the current 14 to approximately 7 and our ultimate goal is to reduce this to just one form.

We feel there are many opportunities to improve the delivery to this program over time. Also, as we begin to take a more holistic approach to farm and ranch planning, it is a natural progression that opportunities to better utilize cost share assistance can be identified during the planning process. This approach would allow this valuable tool to be used year round in addressing natural resource needs and initiatives.

Question 2: Regarding the selection of local Farm Service Agency supervisors--you state that the person "would be appointed on the basis of merit irrespective of whether he or she is a Federal employee or an ASCS county office employee." Exactly who will be responsible for appointing this supervisor initially? Will the local committees be making these initial selections?

Answer: The legislation for reorganization provides that there will continue to be local county committees. However, these committees will include five members, of which three will be elected and two will be appointed. The local committee will continue to be responsible for making the initial selections of the Farm Service Agency county office supervisors.

Question 3: You discussed the Info Share program in your testimony on page seven. Your employees have told us repeatedly that saving money and improving services to farmers will remain out of reach--no matter how you shuffle the organizational boxes--as long as your computers can't talk to each other. How many years away are we from having a system of common data bases, farm record systems, and agency accounting records? Will it be done before or after you have merged farm services offices.

Answer: USDA is performing pilot tests within the Info Share Program for common client data bases, farm record data bases and agency accounting records. These pilots will be evaluated by September 1994 to determine what should be implemented nationwide. Nationwide implementation of beneficial pilots could take up to 2-3 years. Every effort will be made to integrate national implementation plans with the creation of Field Office Service Centers. Current systems will be maintained and provisions will be made for interim solutions to provide linkages of current systems to assure smooth transition without interruption of program delivery.

Question 4: What quality of service can a client expect to receive when his or her application for a farm credit loan is being taken and processed by someone who has only worked in the past on ASCS commodity programs?

Answer: All employees of FSA will be cross-trained to process all programs within its jurisdiction. Applications will be received at any USDA Field Office Service Center, and the processing of this application and the servicing of any subsequent loan will be managed by fully trained personnel. Most Service Centers will have a loan specialists on site. For those without full-time loan specialists arrangements for servicing will be made with specialists in nearby Service Centers.

QUESTIONS FROM CONGRESSMAN STENHOLM
LOCAL COMMITTEES AND DECISION MAKING

Question 1: You state that having appointment authority for the FSA local committees would ensure that no portion of a service area would be denied representation on the committee, and also it would permit the addition of nonfarmers with expertise in agricultural finance, law or management. Why couldn't these objectives be accomplished through a carefully thought-out election process?

Answer: Although elections are a democratic and inclusive process, portions of the farming community are historically more active in seeking a presence in elected bodies. FmHA has made every effort to actively engage the minority communities in both the nomination and election processes. The nomination of non-farm professionals with appropriate expertise has also been promoted. However, because of the majority rule and election turnout, it is difficult to ensure elected committee members will reflect the broadest possible community representation.

Question 2: Please elaborate on who will choose these 5,000 appointed members (two for each of the 2,500 service areas).

Answer: The appointed committee members will be approved by the Secretary of Agriculture, or his' or her designee. Nominations are solicited and accepted from within the community where the vacancy exists.

Question 3: How will local elected committee members be nominated?

Answer: The nomination process for local elected committee members will not change with the reorganization. The nomination process includes the posting of notices in local newspapers and public buildings, and contacts with community leaders. Nominations are solicited and accepted from within the local community where the committee vacancy exists.

QUESTIONS FROM CONGRESSMAN STENHOLM**CREDIT**

Question 1: I understand there are currently about 1,700 Farmers Home Administration county offices. How will you decide which ones will be merged into farm service centers, and how will those offices' rural housing loans then be covered? Conversely, what will you do to ensure that farm borrowers are serviced in a situation where a county office's workload is greater in housing than in agriculture, and it becomes a rural development office?

Answer: USDA field offices were examined for type and volume of caseload, location, geographic limitations, and proximity to other USDA office locations. When the final decision is made, all of these factors will be considered as well as underserved potential clients and new demands based on changing economic conditions. Services available to rural housing applicants and borrowers are not expected to change significantly. Depending upon geographic constraints and volume demands, certain program services may be available part time at USDA service centers. The number of points of service may actually increase as field office employees complete cross-training in order to provide basic program information at all USDA locations.

Question 2: Under your rural development structure, each State director will get their policy guidance from three different agencies, and in turn will have to direct three different sets of programs within their State. If I were a State director, how will I determine my priorities when I get three rush jobs at the same time from three different Administrators?

Answer: Program priorities will be established by the Administration. The State directors are presently responsible for delivering programs of two distinct agencies, FmHA and RDA. They are rated by both the FmHA Administrator and the RDA Administrator. If conflicts arise, resolution will be negotiated through the Office of the Under Secretary.

QUESTIONS FROM CONGRESSMAN STENHOLM**CREDIT**

Question 3. Please describe the future status and role of the 50 State Rural Development advisory councils, initiated during the previous Administration, under your proposal.

Answer: The State Rural Development Councils are designed to be a non-partisan coordinating body for Federal, State, and local government activities and resolve intergovernmental program conflicts within the state. They are established by a Memorandum of Understanding (MOU) between the Secretary of Agriculture and the Governor of the State, and are jointly funded. Currently, thirty-seven councils are operational with thirteen more pending approval of their MOUs. The Administration plans to continue its support of the councils. Their role of coordination and collaboration is not expected to change.

QUESTIONS FROM CONGRESSMAN STENHOLM

OTHER QUESTIONS

Question 1: This subcommittee next week begins a long series of field hearings, and topic number one will be whose office will be axed, and whose will be saved. What can we tell them about the status of office closing and consolidations, which are such a fundamental element of restructuring and a major source of budget savings?

Answer: Under our proposal, each State will be assigned an optimum number of USDA Field Office Service Centers. USDA customers will be served at one location by a minimum of two new agencies: the Farm Service Agency and the Natural Resources Conservation Service. In addition other agencies such as the Rural Housing and Community Development Service will be collocated whenever possible.

When the plan is implemented we will have fewer locations. We are planning to have about 2,500 Field Office Service Centers nationwide. We will continue to work with the State Food and Agriculture Councils to determine how to best reorganize, collocate and merge the offices within their areas of jurisdiction. We plan to make the field office changes over approximately a three year period after headquarters is reorganized. Although reductions are planned in staffing at field and at headquarters, these changes are intended to be made through attrition and the use of the Administrations' proposed early-out authority.

Question 2: What is the ratio of USDA supervisors to non supervisory employees currently, and what will it be upon completion of your reorganization?

Answer: The information follows.

11/30/93

UNITED STATES DEPARTMENT OF AGRICULTURE
Supervisor to Employee Ratios for Major Agencies

	Current	Proposed
Rural Utilities Service.....	1:5	1:14
Rural Housing and Community Development Ser...	1:8	1:14
Rural Business and Cooperative Development Service.....	1:6	1:14
Food and Consumer Service.....	1:5	1:14
Forest Service.....	1:6	1:15
Natural Resources Conservation Service.....	1:10	1:15
Food Safety and Inspection Service.....	1:20	1:20
Animal and Plant Health Inspection Service...	1:5	1:11
Agricultural Marketing Service.....	1:18	1:18
Agricultural Research and Education Service...	1:12	1:13
Economic Research Service.....	1:5	1:11
National Agricultural Statistics Service.....	1:6	1:12

QUESTIONS FROM CONGRESSMAN ROBERTS

Question 1: Why is the Department expanding the size of the county/area committee for the FSA from three to five members? Why are two members to be appointed? What are the criteria for these two appointments; H.R. 3171 says 'fairly representative of farmers in the county or area', what does this mean? Will they be farmers? How many appointments would have to be made? Are these essentially going to be political appointments?

Answer: Because both FmHA and ASCs currently have county committees, the FSA will consolidate these committees into one. The Secretary will appoint two members to ensure diversity and reflect the broadest possible community representation. These appointees may be farmers or other agricultural professionals. Two appointments will be made to each of the 2500 county committees.

Question 2: The documents USDA provided yesterday indicate that you intend to cut more than 1,000 positions from the field operations of the new NRCS. This will come despite the fact that the Soil Conservation Service has complained for several years that they are 5,000 staff years short of the field personnel they need to carry out the requirements of the 1985 and 1990 Farm Bills. From what my farmers have told me there is in fact a serious shortage of SCS troops.

A few months ago the Secretary talked about consolidating the public affairs and congressional liaison functions of the various agencies into a single departmental structure with considerable savings in staff years. The staff charts you sent yesterday still show every agency with its own press and Hill liaison staffs. What happened to the Secretary's original idea? Just how many people are employed in these functions by the various agencies of the Department? Is this really the wisest use of personnel at the same time you are projecting steep cuts in service to farmers?

Answer: The Secretary decided that the Departmental level offices of public affairs and congressional relations should remain separate to ensure adequate coverage of the functions. Rather than combining these offices, we have decided to focus on streamlining the offices' activities at the Department level and in the agencies.

For the Office of Congressional Relations our goal is to streamline and provide greater efficiencies and coordination in the Department's intergovernmental activities. Our proposal recognizes the need for better coordination and streamlining by transferring the Office of Intergovernmental Affairs to the Assistant Secretary for Congressional

Relations. This will allow for greater efficiency and will eliminate duplicative efforts.

The role of congressional relations will include all levels of government. The Assistant Secretary for Congressional Relations will have responsibility for creating strong relationships with Congress, state and local governments, Native Americans and Alaska Native tribes and will be charged with implementing overall coordination of department legislative and intergovernmental relations activities.

In addition to the 12 professional legislative affairs positions in the Office of Congressional Relations, 48 full time equivalent legislative affairs professional positions are located in the agencies. These agency personnel are responsible for obtaining timely and accurate information for members of Congress regarding matters under the jurisdiction of individual agencies. They respond to both written correspondence and telephone inquiries from Members of Congress regarding matters under the jurisdiction of the individual agencies. They also conduct research on legislative activities for policy-making officials within USDA. The workload for these individuals increases each year. For example the 1993 calendar year to date, USDA has received almost 7,000 pieces of congressional correspondence. This compares to approximately 6,000 for 1992. This figure does not include the congressional correspondence written directly to the agencies and sub-cabinet members.

Currently, there are approximately 1,000 public affairs employees in the Department. About 65 percent of these employees are in the field and provide direct services to the public. For example, many of the Department's public affairs staff work for the Forest Service in the field. These employees deal with issues such as public inquiries about specific timber sales, as well as questions about the availability of firewood and all manner of local issues.

For this area our goal is to achieve at least a 15 percent reduction in staffing over the next five years and streamline the way the function is carried out in the Department. Some activities will be removed from the agencies and centralized to provide services more efficiently. Some public affairs staffing will remain in the six mission areas because the public will be better served by personnel who have a day-to-day familiarity with the issues in the agencies. One of the primary and historic missions of the Department is providing information to farmers and other constituents. Secretary Espy is committed to strengthening that goal through his reorganization.

As a matter of note, we are not projecting deep cuts in service to farmers, although we are projecting a reduction in staffing. We plan to actually improve service through the creation of the Field Office Service Centers and other improvements in the management of USDA.

Question 3: You propose merging the staffs of FmHA and ASCS onto the new FSA. This will mean mingling federal service workers with local county employees in the same organization. Since you do not propose converting either group to the other type of service, how will this structure work in the future? When new employees are hired into the FSA field structure to replace resigned or retired staff, will they be hired through the federal service or will they be hired as local county employees? If there are future reduction of force, how will you manage the reductions when some workers have retention rights and others don't in the same office?

Answer: We will be meeting with representatives of county personnel professional organizations and unions to address these concerns. They will help us determine how these problems should be addressed for the mutual benefit of all employees.

Question 4: There are 14,000 field offices in the Department, of which about 7,000 are the farm service field offices. The other half represent the Forest service, AMS, APHIS, and the Food and Nutrition Service and a host of other agencies. There was a similar streamlining plan for these agencies that are not directly involved in farmer program delivery nearly completed this time last year. Is there going to be a list of proposed office closing to streamline the other half of the USDA field structure, or is streamlining only for farmers? When will this be accomplished?

Answer: The streamlining plan for the Department does include all field offices, not just those for farmers. The general time frame planned is over a three year period.

Concerning your statement that about half of the field agencies are the farm service offices, we estimate that SCS, ASCS, FCIC, ES, and FmHA comprise about 12,000 of the 14,000 field offices. This estimate includes about 3,600 Extension Service Offices the are under the jurisdiction and control of the cooperating State Land-Grant University and most are supported by local governments.

Question 5: The reconciliation package passed last summer contained \$739 million in savings from changes in the county-based field structure. This large figure comes from making changes and letting the savings all over the country add up over time. It is now nearly three months into the fiscal year. How long can you wait and still achieve the savings you claimed this summer with out taking draconian personnel actions?

Answer: Although the House Reconciliation Bill contained a provision which would have directed the Secretary to consolidate personnel and field, regional, and national offices to achieve savings of \$500 million over four years beginning in FY 1995, this provision was not included in the final bill that was enacted. Nevertheless, we believe if the Secretary's proposed Reorganization Bill is enacted promptly next year, we will achieve at least the savings included the Reconciliation Bill.

Question 6: You stated before the Subcommittee that much of these administrative improvements to be accomplished with technology improvements will be dependent on support from Congress for funding? Experience with attempts to improve data processing capabilities at Farmer's Home Administration has demonstrated that such modernization is difficult and expensive. What portion of the projected savings is to be derived from these technological improvements? How much funding over what period of time will be necessary to fulfill your goals? Do you have a comprehensive plan in place? If not, when do you expect this to be completed?

Answer: Major new technology improvements will be dependent upon support from Congress for funding. Projected cost avoidance of \$1.3 billion through the Info Share program, is the result of consolidation of procurements for field office systems. For the Info Share program the current estimate of funding requirements is \$2.6 billion, over a life cycle of 8 years. In addition to the USDA IRM Strategic Plan, the Info Share management team has a comprehensive plan in place for the program and its component initiatives.

QUESTIONS FROM CONGRESSMAN POMEROY

Over the last few years, the Federal Crop Insurance Corporation has developed a unique relationship with the private insurance sector. Because the data systems of both FCIC and the private sector has to be integrated to ensure accurate information, some people fear that USDA reorganization could disrupt the relationship between the FCIC and the private sector, which would be detrimental to the farmer and taxpayers.

With this as background, I am curious as to how the new reorganization plan will affect farmers, the taxpayer, FCIC, and the private insurance sector.

Mr. Rominger, we know the Administration wants to combine the administrative functions of various agencies into one administrative function. The FCIC divisions that are included within the new administrative function will determine how farmers are serviced by the insurance agents and the companies for which agents write policies.

Question 1: Could you tell us what FCIC divisions will be transferred to the administrative function and how that will affect service to the farmer?

Answer: Currently we plan to include all or part of the following FCIC divisions within consolidated Farm Service Agency (FSA) management units: Management Services, Personnel, Budget, Information Resource Management, and Automation Divisions. FCIC's Controller Division and Internal Controls Staff would be included in FSA's Financial Management Division, and a part of FCIC's Appeals and Litigation Staff would be transferred to the National Appeals Staff.

None of the functions directly related to servicing farmers would be transferred. Rather, they would remain under the Deputy Administrator for Risk Management. These functions include virtually all of the work now done by FCIC relating to research, underwriting, actuarial, evaluation, delivery, marketing, claims adjustment, and compliance. FCIC's regional offices also remain under the jurisdiction of the Deputy Administrator.

While service to farmers would not be affected directly, we do expect that the reorganization will have a positive impact on the quality of service provided.

Question 2: Will the FCIC Manager have full authority -- as it exists granted under the FCIC Act -- to make necessary and appropriate program decisions for the good of the program?

Answer: The authority you refer to would rest with the Deputy Administrator for Risk Management.

Question 3: If the FCIC is split into two functions so that the program accounting, automation and personnel decisions are by a division head over the new administrative function rather than the FCIC Manager, how will the program be affected?

Answer: Your question is relevant to a number of similar arrangements for consolidation of administrative functions that are included in our reorganization proposal. The Department recognizes the concern about the performance of administrative units not directly responsible to a program manager. Such arrangements have been successful in the past. However, to provide added assurance that the consolidated administrative units included in the reorganization will be responsive, the Department proposed to establish management boards that would function like a corporate board of directors. Program managers receiving services from a consolidated administrative unit would be included on these boards, which would give them a hand in seeing the unit is responsive.

Question 4: In the past, industry computer programming requirements have been defined by the FCIC manager. Where will the responsibility lie -- with the FCIC Manager or the administrative division?

Answer: Computer systems must be designed to support program managers, who, in turn, must have a say in defining the requirements for such systems. Under the reorganization, the Deputy Administrator for Risk Management would have essentially the same responsibility in this regard as the FCIC Manager. Some information support would be provided by administrative divisions that do not report to the Deputy Administrator. These divisions would be expected to be responsive to the Deputy Administrator. If necessary, the management board would ensure that result.

Question 5: If the FCIC program managers and data processing personnel report to the administrative function, who will resolve conflicts with the private insurance sector?

Answer: The Deputy Administrator for Risk Management will be responsible for working with the private insurance sector on all matters relating to the crop insurance program, including the resolution of any conflicts that may arise.

Question 6: If FCIC folded into the Farm Services Agency, who will be responsive for requirements imposed on FCIC by the Standard Reinsurance Agreement?

Answer: Again, it will be the Deputy Administrator for Risk Management who will be responsible for working with the private insurance sector on all matters relating to the crop insurance program, including those incorporated in the Standard Reinsurance Agreement.

17. The National Turkey Federation

- NTF represents 95 percent of the U.S. turkey industry, including processors, growers, breeders and hatchery owners.
- NTF opposes the National Performance Review's recommendation to move poultry and meat inspection from FSIS to the Food and Drug Administration.
- NTF opposes legislation that would combine all food inspection into a single, new agency. First, FSIS inspection is continuous and on-site, while FDA inspections are not. Therefore, FDA lacks the personnel and expertise to do an adequate job. Second, the threat of microbiological contamination can only be contained by implementing programs that begin on the farm and continue to the consumer. USDA's knowledge of production agriculture is necessary to do this. Third, FSIS is the only government agency with a proactive plan to improve the inspection of meat and poultry. If inspection is moved to FDA or another agency, the modernization of inspection will be slowed down or potentially derailed.
- NTF would also like to see the position of Assistant Secretary for Marketing and Inspection Services elevated to the level of Under Secretary, to reflect the importance they attach to the marketing and inspection function of USDA.
- NTF would like to see the Soil Conservation Service be combined with the proposed Natural Resources Conservation Service.

18. Soil and Water Conservation Society

- SWCS' goals are the protection, enhancement and wise use of soil, water, and related natural resources.
- SWCS is in favor of creating the Natural Resources Conservation Service and giving it the full range of policy and program tools needed to carry out its mandate to work with farmers and keep agricultural-related soil and water conservation problems to a minimum. They like the idea of keeping all conservation programs (except for those of the Forest Service) in the hands of one agency.
- SWCS supports the formation of the Farm Services Agency, and in general would like to see all production adjustment and related loan programs administered separately from natural resource conservation programs. While they support the formation of the FSA and the concept of "one-stop shopping", they would like to see the closing of county offices phased in over a longer period, perhaps five years. They want existing partnerships in the delivery of services (including state and local interests) to be maintained to the extent possible.

- SWCS also supports the maintenance of an aggressive research and extension component within USDA, in both the physical and social sciences. They are in favor of the creation of the Agricultural Research and Education Service, and the Agricultural Economics Service.

19. The American Dietetic Association

- ADA represents over 65,000 nutrition professionals.
- ADA supports the proposal to elevate the Assistant Secretary for Food and Consumer Services to Under Secretary for Food, Nutrition and Consumer Services. They would like to see USDA's feeding programs, such as food stamps and school breakfast and lunch, include an educational component along the lines of the nutritional counseling provided by the WIC program. They argue that nutrition education is important in reducing the country's health care costs.

ATTACHMENT "C"

LIST OF ORGANIZATIONS

The following is a list of organizations who submitted statements concerning H.R. 1371 and the proposed reorganization of U.S. Department of Agriculture before the U.S. House of Representatives, Committee on Agriculture, Subcommittee on Department Operations and Nutrition on October 13, 1993.

1. American Association of Meat Processors
2. American Farm Bureau Federation
3. American Farmland Trust
4. American Federation of Government Employees, AFL-CIO; American Federation of State, County, and Municipal Employees; and National Federation of Federal Employees
5. National Aquaculture Association
6. National Association of ASCS County Office Employees
7. National Association of Conservation Districts
8. National Association of Farmer Elected Committeemen
9. National Association of Home Builders
10. National Association of Meat Purveyors
11. National Association of State Departments of Agriculture
12. National Association of State Universities and Land-Grant Colleges
13. National Contract Poultry Growers Association
14. National Family Farm Coalition
15. National Farmers Unions
16. National Grain and Feed Association
17. National Turkey Federation
18. Soil and Water Conservation Society
19. The American Dietetic Association

SUMMARY OF NON-USDA ORGANIZATIONS' TESTIMONY ON PROPOSED USDA REORGANIZATION

Attached are summaries of 19 testimonies regarding H.R. 1371 and the Secretary's proposed reorganization. The testimonies were submitted to the House Committee on Agriculture, Subcommittee on Department Operations and Nutrition on October 13, 1993.

The summaries are arranged as follows:

- Attachment "A" - Position of Organizations by Key Topics/Issues
- Attachment "B" - Key Points in Testimonies by Organization
- Attachment "C" - List of Organizations

ATTACHMENT "A"

POSITIONS OF ORGANIZATIONS BY KEY TOPICS/ISSUES

The positions of organizations by key topics/issues are provided below.

1. Farm Service Agency

None of the groups testifying were opposed to creating the Farm Service Agency, but many offered specific suggestions about the structure it would take.

County Offices:

- The National Feed and Grain Association feels that local offices, working closely with local grain elevators, feed mills and commodity buyers, are needed to successfully implement commodity programs.
- The Soil and Water Conservation Society would like to see the closing of county offices phased in over a five year period, with existing partnerships with state and local groups maintained to the extent possible.
- The National Association of Conservation Districts is concerned that office closings would affect the delivery of conservation services in areas where the work is most needed. They want the reorganization to redirect additional resources to the field level, where USDA customers are served.
- The National Association of ASCS County Office Employees wants to maintain local control of county offices.
- The National Farmers Union wants USDA to clean house in Washington before closing field offices. They want downsizing at the local level to occur through attrition and buy-outs. They want assurance that office closings won't hurt socially disadvantaged farmers, such as blacks and Native Americans.
- The American Farm Bureau Association recommends that USDA rely upon decentralized county offices. A long-term goal should be to combine offices and personnel that can work with farmers at a single site. They want increased emphasis placed on improving telecommunications and computer capabilities of these offices.

Conservation Programs:

- The National Feed and Grain Association wants conservation compliance to be monitored by the FSA so it will be "farmer-friendly."
- The American Farmland Trust wants the ASCS conservation cost-share programs to fall under the new Natural Resources Conservation Service.
- The Soil and Water Conservation Society supports putting all conservation programs under the new Natural Resources Conservation Service. They would like to see all production adjustment and loan programs administered separately from conservation programs.
- The National Association of Conservation Districts is against closing SCS field offices. They are concerned that the new Natural Resources Conservation Service will not devote sufficient resources to the field level, and that needed conservation work will not be done.
- The National Association of ASCS County Office Employees is against moving the SCS production agriculture conservation programs to the proposed Natural Resources Conservation Service, arguing that these programs cannot be efficiently implemented without a database of farm data identical to that needed for ASCS programs. They favor transferring only those conservation responsibilities to the NRCS that do not affect farmers, with those that do remaining with the Farm Service Agency.

Structure of Local Committees:

- The National Association of ASCS County Office Employees is concerned that expanding state, area and county committees to five members would politicize them, with the two extra slots for each committee likely to end up in the hands of local party leaders. They want county offices to remain under the direct control and supervision of locally elected farmers and ranchers.
- The National Farmers Union contends that state committees should consist of three, or not more than five, members who are all agricultural producers. They want county committees to be elected by agricultural producers, preferably those who have an agency farm loan.
- The American Farm Bureau Federation does not want programmatic restructuring to eliminate local involvement through the use of constituent committees.

InfoShare

- The National Association of State Departments of Agriculture testified that the department should place priority on the development of the InfoShare system.

2. Research Agencies

Agricultural Research and Education Service:

- The National Association of State Universities and Land-Grant Colleges is against combining CSRS, ARS, the Extension Service, and the National Agricultural Library to form the Agricultural Research and Education Service. They are concerned about maintaining the autonomy of universities in the federal-state partnership if ARS is included. They argue that ARS is a bureaucracy with "top-down" management, while CSRS, the Extension Service, and the universities take a more consensus-building approach to research. They are also concerned about losing local input into research planning, implementation and evaluation.
- The National Feed and Grain Association supports the research mission of ARS, but would like to see more emphasis on research regarding grain production and grain quality, perhaps taking over some of the research currently being done by the Federal Grain Inspection Service.
- The Soil and Water Conservation Society supports creation of the Agricultural Research and Education Service.
- The American Farm Bureau Association believes that the Extension Service should remain closely involved with the research and land grant university system.

Statistics and Economics:

- The National Feed and Grain Association supports a strong role for USDA in providing reliable and timely statistics.
- The Soil and Water Conservation Society supports an aggressive research and extension component within USDA, in both the physical and social sciences. They are in favor of creating the Agricultural Economics Service.

Nutrition Research and Education Service

- The National Association of State Universities and Land-Grant Colleges wants the Nutrition Research and Education Service placed under the Assistant Secretary for Research and Economics, rather than under the proposed Under Secretary for Food, Nutrition and Consumer Services, because much of this work is done in land-grant universities.

3. Combining the Federal Grain Inspection Service with the Packers and Stockyards Administration

- The National Feed and Grain Association is against the combination, arguing that the two agencies have vastly different functions. They would prefer to see FGIS combined with AMS, rather than Packers and Stockyards.
- The National Farmers Union is wary of combining FGIS and P&SA because they don't want the role of P&SA in preventing unfair trade practices to be reduced in any way.
- The American Farm Bureau Association is opposed to merging FGIS and P&SA.

4. Meat Inspection

- The National Turkey Federation opposes the National Performance Review's recommendation to move meat and poultry inspection from FSIS to the Food and Drug Administration. They also oppose legislation that would combine all food inspection into a single new agency.
- The National Association of State Departments of Agriculture feel that food inspection should remain within USDA rather than FDA. They support the HACCP-based program.
- The National Association of Meat Purveyors suggests that FSIS be incorporated into a separate food safety agency, either independent or as a separate division within USDA. They want the food safety agency to monitor compliance at both retail stores and in food service establishments. They endorse the HACCP concept and believe that HACCP should be phased in as an umbrella over a reformed present day performance-based inspection system.
- The American Association of Meat Processors wants to maintain the current

field structure of FSIS, i.e., 5 regional offices and 26 area offices. They are against placing FSIS in FDA, and are supportive of HACCP. They support the incorporation of all food inspection, including meat and poultry, into a single federal agency, either USDA or a new entity.

- The National Farmers Union wants to see FSIS and APHIS maintained under the Assistant Secretary for Marketing and Inspection Services.

5. Assistant and Under Secretaries

- The National Turkey Federation wants the position of Assistant Secretary for Marketing and Inspection Services elevated to Under Secretary, to reflect the importance they attach to the marketing and inspection function of USDA.
- The American Farmland Trust supports maintaining the position of Assistant Secretary for Natural Resources.
- The National Association of Conservation Districts supports having a single natural resource management agency (except for the Forest Service) under the jurisdiction of a single Under Secretary.
- The National Association of State Universities and Land-Grant Colleges would like to see the word "Education" added to the title of the Assistant Secretary for Research and Economics.
- The National Farmers Union supports elevating the Assistant Secretary for Food, Nutrition and Consumer Services to an Under Secretary position, and recommends creating an Under Secretary for Farm Services, Natural Resources and Environment and an Under Secretary for International Trade Services. They also want to change the position of Assistant Secretary for Natural Resources to Assistant Secretary for the Forest Service.
- The American Dietetic Association supports the proposal to elevate the Assistant Secretary for Food and Consumer Services to the Under Secretary for Food, Nutrition and Consumer Services.

6. National Appeals Division

- The National Contract Poultry Growers Association supports the NAD, but proposes two modifications: 1) the appeals division should report directly to the Secretary, rather than to the Under Secretary over the agency from which the appeal originates, and 2) the NAD should consider any appeal

made by a farmer as a result of actions or inactions of any USDA agency.

- National Farmers Union endorses the NAD, but also wants it placed directly under the Secretary to eliminate conflicts of interest that arise when the same agency heads implement programs and issue final determinations when decisions are appealed. They also believe that the NAD should handle appeals from crop insurance, conservation and rural development programs, in addition to farm lending and commodity programs.
- The National Association of Homebuilders supports Tim Johnson's National Appeals Division Act of 1993.
- The AFGE, AFL-CIO, American Federation of State, County and Municipal Employees, and the National Federation of Federal Employees support Conrad's legislation. These groups believe the National Appeals Staff should be answerable to the Secretary, and consolidated with the Administrative Law Judges Staff.
- The American Farm Bureau Association supports the creation of the NAD.

7. Rural Development

- The National Association of Homebuilders wants to call the Rural Community Development Service the Rural Housing and Community Development Service. They see a need for a state director system, similar to the current FmHA system.
- While they have no objection to creating a separate division within USDA for rural development, they stressed the linkages between commodity programs and the economic health of rural areas, arguing that acreage idling programs have a depressing effect on local economies.
- The National Farmers Union would like to combine the Rural Community Development Service and Rural Business and Cooperative Development, and appoint a state director for Rural Economic and Community Development for each state.

8. Labor Relations

- AFGE, AFL-CIO; the American Federation of State, County and Municipal Employees; and the National Federation of Federal Employees want to establish a department-level "partnership council" in each of the major

program areas to address on-going labor-management relations issues. They also want the EEO/Civil Rights investigative staff to be strengthened.

9. State-Federal Coordination

- The National Association of State Departments of Agriculture would like to eliminate duplication of efforts in inspection, grading, and marketing activities between state and federal government. They believe that there is unnecessary overhead and administrative costs and delays to industry as a result.
- The American Association of Meat Processors does not want USDA to downsize and downgrade the FSIS Office of Federal-State Relations. Rather, they would like to see it upgraded to add an assistant director.

10. Aquaculture

- The National Aquaculture Association feels that aquaculture should be mainstreamed into the Department's agricultural programs.

ATTACHMENT "B"

KEY POINTS IN TESTIMONIES BY ORGANIZATION

The key points in each organization's testimony (see Attachment "A1") are provided below.

1. American Association of Meat Processors

- AAMP represents 1,650 small and medium size meat processing firms, packing houses, wholesalers and distributors, retailers and related suppliers to the industry.
- The Department needs to communicate with those who will be regulated as well as those who regulate, failing to do so with respect to "zero tolerance", mandatory HACCP, and safe-handling labels.
- The Department should maintain FSIS' 5 Regional Offices and 26 Area Offices.
- The Department should not only not downsize and downgrade the FSIS office of federal-state relations, but upgrade it to add an assistant director.
- AAMP does not support placing FSIS in FDA. It supports the incorporation of all food inspection, including meat and poultry, into a single federal agency, either USDA or a new entity.
- AAMP supports HACCP and encourages voluntary efforts in that area.

2. American Farm Bureau Association

- AFBA opposes all efforts to rename USDA or consolidate it with any other department or agency of government.
- AFBA recommends the following:
 1. USDA agencies must continue to rely upon a form of decentralized county offices.
 2. Service to farmers in the most efficient, cost-effective manner must be a primary objective.
 3. A long-term goal should be to combine offices and personnel that can work with farmers located at a single site.
 4. Increased emphasis must be placed on improving telecommunications and

- computer capabilities of these offices.
5. Improvements in efficiency must be flexible enough to fit with local and regional conditions.
 6. Programmatic restructuring should not eliminate local involvement through use of constituent committees.
 7. Merging agencies will not eliminate the need for specialized technical resources that have been previously concentrated in a single agency.
 8. Farm Bureau will not support the shifting of responsibilities currently being carried out by an USDA agency to another department as a consequence of the USDA reorganization.
 9. Farmers believe that the Extension Service should remain closely involved with the research and land grant university system.
 10. We support the creation of a National Appeals Division.
 11. We do not support merging the Packers and Stockyards Administration and the Federal Grain Inspection Service.

3. American Farmland Trust

- AFT is a 20,000 member organization dedicated to protecting the nation's farmland from unnecessary development and to promoting sustainable farming systems.
- AFT supports the Administration's efforts to reorganize USDA. In particular, they support:
 1. Maintaining the position of Assistant Secretary for Natural Resources.
 2. Combining the ASCS conservation cost-share program with the Soil Conservation Service to create the new Natural Resources Conservation Service.
 3. Going forward with the Office of Agricultural Environmental Quality.
- AFT endorses the combination of ASCS and FmHA into the Farm Services Agency, and urges USDA to pay particular attention to the needs of farmers near expanding urban areas, who will need special help from USDA to sustain their operations while protecting the environment.

4. AFGE, AFL-CIO; American Federation of State, County, and Municipal Employees; and National Federation of Federal Employees

- AFGE represents over 13,000 USDA workers.
- AFGE wants to establish a department-level "partnership council" in each of the major program areas to address on-going labor-management relations issues

- AFGE supports streamlining of unnecessary layers of middle management and the unnecessary and costly contracting-out of work.
- AFGE supports Senator Conrad's legislation to reorganize USDA.
- AFGE believes the National Appeals Staff should be answerable only to the Secretary, and consolidated with the Administrative Law Judges staff.
- AFGE supports strengthening EEO/Civil Rights investigative staff.

5. National Aquaculture Association

- NAA is a nonprofit association, serving 33 diverse national and state aquaculture associations.
- NAA recommends that aquaculture be mainstreamed into the Department's agricultural programs. The Department should declare and establish that private aquaculture is a form of agriculture and that privately cultivated aquatic organisms and their products are agricultural livestock, crops, and commodities.

6. National Association of ASCS County Office Employees

- NASCOE is a voluntary association that represents over 90 percent of the approximately 13,000 permanent county office employees of ASCS.
- NASCOE opposes moving the SCS production agriculture conservation programs to the proposed Natural Resources Conservation Service. It prefers to have these programs remain in the Farm Service Agency.
- NASCOE is concerned about local control of the programs which would be part of the FSA. County offices are currently under the direct control and supervision of locally elected farmers and ranchers. NASCOE is concerned that the proposal to expand State, County, and Area Committees to five members, with two of them appointed by the Secretary, will politicize the committees, and that the two slots will likely end up in the hands of local party leaders.

7. National Association of Conservation Districts

- NACD represents nearly 3,000 local conservation districts across the U.S., which are independent, special-purpose units of state government that carry out natural resource management programs.

- NACD acknowledges that there are benefits to opening USDA Service Centers, but is concerned that the closing of SCS field offices and withdrawal of staff and funding assistance will adversely affect conservation districts. They claim that for the consolidation of field offices to work, USDA's natural resource agency must maintain an adequate level of service in areas where conservation work is needed, regardless of whether a service center is located there. They want to ensure that local conservation districts and state conservation agencies are part of the process in planning and implementing any organizational changes.
- NACD supports the creation of a single natural resource management agency encompassing all natural resource management programs at USDA except for the Forest Service, under the jurisdiction of a single Under Secretary, and call for expanded use of incentive-based approaches to natural resource management.

8. National Association of Farmer Elected Committeemen

- NAFEC opposes the provision in H.R. 3171 whereby the Secretary may appoint a state committee. It opposes legislative changes which would allow the Secretary to appoint non farmers to the county committees.
- NAFEC recommends:
 1. Reorganization should start at the top, in Washington.
 2. The Farmer Elected Committee System should administer all programs dealing with farmers and ranchers.
 3. All farm related programs (i.e., conservation, price support, insurance, loans and research) should be administered by one agency.
 4. Co-locate county offices.
 5. Reduce and simplify paper work.
 6. Create one compatible computer system for all farm programs.
 7. Establish an appeal process within a single agency dealing only with farmers' and ranchers' problems.
 8. Consolidate county offices only after local input has been received.
 9. Create a separate agency to deal with environmental, forestry, fish and wildlife conservation needs.
 10. Create a review process for civil service that justifies employment and expenditures.

9. National Association of Home Builders

- NAHB represents 165,000 member firms.

- NAHB recommends that the Rural Community Development Service be named the Rural Housing and Community Development Service.
- NAHB believes there is a continued need for oversight and involvement through a state director system, similar to the current FmHA system.
- NAHB supports Tim Johnson's USDA National Appeals Division Act of 1993.

10. National Association of Meat Purveyors

- NAMP is a non-profit trade association of some 350 members whose primary business is processing and distributing meat and poultry and other food products to the foodservice industry.
- NAMP suggests that FSIS be incorporated into a separate food safety agency, either independent or as a separate division within USDA.
- NAMP believes the need to monitor activities with ongoing compliance measures both at retail stores and in foodservice establishments is an absolute necessity.
- NAMP endorses the HACCP concept as a means to better assure food safety based on scientific principles. It believes it is important to phase in HACCP as an umbrella over a reformed present day performance-based inspection system.

11. National Association of State Departments of Agriculture

- NASDA believes inspection of meat and poultry should remain within the jurisdiction of USDA and should not be transferred to FDA.
- NASDA supports a HACCP-based program.
- NASDA believes priority should be placed on the development of the InfoShare system.
- NASDA believes there is unnecessary overhead and administrative costs and delays to industry due to the duplication of efforts in inspection, grading, and marketing activities between state and Federal Government.

12. National Association of State Universities and Land-Grant Colleges

- NASULGC is concerned about how the proposed combining of CSRS, ARS, the

Extension Service, and the National Agricultural Library would affect the autonomy of universities in the federal-state research partnership, and the role of local input into research planning, implementation and evaluation.

- NASULGC advocates separate but coordinated agency status for ARS and university research and education programs.
- NASULGC believes that the Nutrition Research and Education Service under the proposed Under Secretary for Food, Nutrition and Consumer Services would be better placed under the Assistant Secretary for Research and Economics because much of this work is done in land-grant universities.
- NASULGC proposes that CSRS and the Extension Service be combined to form the Cooperative State Research and Education Service, leaving ARS separate. They claim that this would avoid overcentralization and the disadvantaging of universities.
- NASULGC would like to see the word "Education" added to the title of the Assistant Secretary for Research and Economics, and would like for the Assistant Secretary to be assisted by a Board of Directors or Council consisting of the administrators of the component agencies.

13. National Contract Poultry Growers Association

- NCPGA supports the establishment of a National Appeals Division within USDA with the following modifications:
 1. The appeals division should report directly to the Secretary, rather than to the Under Secretary administering the agency from which the appeal originates.
 2. The division should consider and act upon any appeal made by a farmer as a result of actions or inactions of any USDA agency. The Division should be independent and separate from any of the direct line administrators of any of the agencies from which appeals may originate.

14. National Family Farm Coalition

- NFFC recommends:
 1. Placing the national appeals division in a "box" directly under the Secretary.
 2. Putting the International Trade Services under the Assistant Secretary for Marketing and Inspection Services. The Farm Services Agency should be housed with the Under Secretary for Rural Economic and Community

Development. The Under Secretary for Farm and International Trade Services can be dissolved.

3. Closing of RDA regional offices.
 4. Expanding agricultural mediation services beyond FmHA to other agencies within USDA along the lines of a comprehensive appeals program
- NFFC believes that the National Appeals Division should be a truly separate agency directly under the Secretary.

15. National Farmers Union

- NFU represents over 250,000 farm families.
- NFU endorses the National Appeals Division, and wants it placed directly under the Secretary to eliminate conflicts of interest that arise when the same agency heads implement programs and issue final determinations when decisions are appealed. However, they believe that the NAD should include more than just farm lending and commodity program appeals. They would like to see its role expanded to include appeals from crop insurance, conservation and rural development programs.
- NFU approves of elevating the Assistant Secretary for Food Nutrition and Consumer Services to an Under Secretary position.
- NFU offers specific suggestions in 8 areas:
 1. Combine the Rural Community Development Service and Rural Business and Cooperative Development Service, and appoint a state director for Rural Economic and Community Development for each state.
 2. Create an Under Secretary for Farm Services, Natural Resources and Environment and an Under Secretary for International Trade Services.
 3. Change the office of Assistant Secretary for Natural Resources to Assistant Secretary for the Forest Service.
 4. Maintain FSIS and APHIS under the Assistant Secretary for Marketing and Inspection Services.
 5. State Committees should consist of three, or not more than five, members who are agricultural producers. Do not allow appointment of non-farmers to state committees. County committees should be elected by agricultural producers, preferably those who have an agency farm loan.
 6. Clean house in Washington before closing field offices. Try to downsize at the local level through attrition and buy-outs. Make sure office closings don't hurt socially disadvantaged farmers, such as blacks and Native Americans.
 7. Be careful in a merger of FGIS and Packers and Stockyards Administration that the role of P&SA in preventing unfair trade practices is not reduced in any way.

8. Hold a series of field hearings to seek the views of USDA program participants on the proposed reorganization.

16. National Feed and Grain Association

- NGFA represents over 1,000 companies involved in grain handling, feed manufacturing and other grain and oilseed processing operations.
- NGFA supports the idea of the Farm Service Agency, but offers several cautions. While the purpose of ASCS is to deliver benefits to producers, they stress that the successful execution of these programs depends on their ability to operate within the context of commercial marketing practices. They feel that local USDA offices, working closely with the local country elevator, feed mill or commodity buyer, are essential to successfully implement these programs. They call for USDA to appoint a person with extensive expertise in commercial warehousing and merchandising to a high leadership position within the Farm Service Agency. They also expressed support for including the Federal Crop Insurance Corporation within the FSA.
- NGFA has no objections to creating a separate division within USDA for rural development but stresses the linkages between commodity programs and the economic health of rural areas. They argue that acreage idling programs have a depressing effect on local economies.
- NGFA wants conservation compliance to be monitored by the Farm Service Agency, so it will be "farmer-friendly."
- NGFA supports a strong role for USDA in providing reliable and timely statistics for U.S. agriculture. They also support the research mission of ARS, but would like to see more emphasis on research regarding grain production and grain quality, perhaps taking over some of the research currently done by the Federal Grain Inspection Service.
- NGFA is opposed to combining the Federal Grain Inspection Service and the Packers and Stockyards Administration, arguing that the functions of the agencies are vastly different. It is afraid that the combination could blur the focus of FGIS at a time when the grain handling industry is demanding that FGIS become more efficient to avoid increases in user fees for grain inspection and weighing services. It would prefer to see FGIS combined with AMS, rather than Packers and Stockyards.