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United States General Accounting Office
Washington, DC 20548

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April 24, 2001

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

The Honorable Larry Combest
Chairman
The Honorable Charles W. Stenholm
Ranking Minority Member
Committee on Agriculture
House of Representatives

Subject: Department of Agriculture, Commodity Credit Corporation: Dairy Price Support, Dairy Recourse Loan, Livestock Assistance, American Indian Livestock Feed, and Pasture Recovery Programs

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Agriculture, Commodity Credit Corporation (CCC), entitled "Dairy Price Support, Dairy Recourse Loan, Livestock Assistance, American Indian Livestock Feed, and Pasture Recovery Programs" (RIN: 0560-AG32). We received the rule on April 10, 2001. It was published in the Federal Register as a final rule on March 19, 2001. 66 Fed. Reg. 15538.

The final rule implements provisions of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, related to the Dairy Price Support, Dairy Recourse Loan, Livestock Assistance, American Indian Livestock Feed, and Pasture Recovery Programs.

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

If you have any questions about this report, please contact James W. Vickers, Assistant General Counsel, at (202) 512-8210. The official responsible for GAO evaluation work relating to the subject matter of the rule is Robert Robinson,

Managing Director, Natural Resources and Environment. Mr. Robinson can be reached at (202) 512-3841.

signed

Kathleen E. Wannisky
Managing Associate General Counsel

Enclosure

cc: Mr. James R. Little
Acting Administrator
Farm Service Agency
Department of Agriculture

ANALYSIS UNDER 5 U.S.C. § 801(a)(1)(B)(i)-(iv) OF A MAJOR RULE
ISSUED BY THE
DEPARTMENT OF AGRICULTURE,
COMMODITY CREDIT CORPORATION
ENTITLED
"DAIRY PRICE SUPPORT, DAIRY RECOURSE LOAN,
LIVESTOCK ASSISTANCE, AMERICAN INDIAN LIVESTOCK FEED,
AND PASTURE RECOVERY PROGRAMS"
(RIN: 0560-AG36)

(i) Cost-benefit analysis

CCC conducted a cost-benefit analysis of the final rule. The outlays are estimated at \$429.7 million for the Livestock Assistance Program, \$11.9 million for the American Indian Livestock Feed Program, \$39.9 million for the Pasture Recovery Program, and \$470 million for Dairy Price Support.

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

The requirements of the Regulatory Flexibility Act do not apply to this rule because a notice of proposed rulemaking was not utilized in issuing the final rule.

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

The final rule does not contain either an intergovernmental or private sector mandate, as defined in title II, of more than \$100 million in any one year.

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

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

Section 840 of the authorizing legislation, Public Law 106-387, permitted the non-dairy portion of the final rule to be published without regard to the notice and comment procedures contained at 5 U.S.C. 553.

Also, section 742 amended section 141 of the Agriculture Market Transition Act, 7 U.S.C. 7251, by extending the current program for one year and delaying the effectiveness of the loan provisions until 2002. Since this rule merely announces those amendments, CCC did not use notice and comment for those provisions. In addition, 7 U.S.C. 7281 provides an identical notice and comment exemption such that CCC can issue the dairy provisions as a final rule with an immediate effective date.

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

Section 840 of the authorizing legislation permits the final rule to be promulgated without regard to the provisions of the Paperwork Reduction Act. However, the 60-day public comment period and Office of Management and Budget (OMB) approval are still required after the rule is published.

The dairy provisions of the final rule do not contain any information collections.

Statutory authorization for the rule

The final rule is promulgated under the authority contained in Public Law 106-387 including sections 742, 802, 806, and 813.

Executive Order No. 12866

The final rule was reviewed by OMB and found to be an “economically significant” regulatory action under the order.