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United States General Accounting Office
Washington, DC 20548

B-287436

May 4, 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: Wool and Mohair Market Loss Assistance Program and Apple Market Loss Assistance Program

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 "Wool and Mohair Market Loss Assistance Program and Apple Market Loss Assistance Program" (RIN: 0560-AG35). We received the rule on April 30, 2001. It was published in the Federal Register as a final rule on March 8, 2001. 66 Fed. Reg. 13839.

The final rule implements provisions of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, related to the Wool and Mohair Market Loss Assistance Payment Program and the Apple Market Loss Assistance Payment Program.

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

ENCLOSURE

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
"WOOL AND MOHAIR MARKET LOSS ASSISTANCE PROGRAM AND
APPLE MARKET LOSS ASSISTANCE PROGRAM"
(RIN: 0560-AG35)

(i) Cost-benefit analysis

The CCC performed a cost-benefit analysis of the final rule. Payments under the wool market loss assistance program are estimated at \$18 million. Under the mohair market loss assistance program, the costs are estimated at \$2 million. Payments under the apple market loss assistance program are estimated at \$100 million.

(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 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, Pub. L. 106-387, permitted the final rule to be issued without regard to the notice and comment procedures contained at 5 U.S.C. 553.

Likewise, section 840 permits the Secretary to use the provisions of 5 U.S.C. 808, which provide for an exception to the requirement that a major rule have a 60-day delay in its effective date for congressional review.

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.

Statutory authorization for the rule

The final rule is promulgated under the authority of sections 811 and 814 of Public Law 106-387.

Executive Order No. 12866

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