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GAO

United States
General Accounting Office
Washington, D.C. 20548

Resources, Community, and
Economic Development Division

B-272081

June 7, 1996

Congressional Committees

As part of our basic legislative mandate to assist the Congress in evaluating federal agencies' programs, we examined the U.S. Department of Agriculture's (USDA) appropriation for fiscal year 1996 and budget request for fiscal year 1997 for selected budget accounts. Our objective was to identify potential rescissions to USDA's appropriation for fiscal year 1996 and potential reductions to USDA's budget request for fiscal year 1997. Specifically, we reviewed USDA's accounts to determine whether unobligated funds from USDA's appropriations for prior years could be rescinded and whether USDA's current budget request could be reduced.

RESULTS IN BRIEF

We identified approximately $1.35 billion in potential rescissions to USDA's appropriation for fiscal year 1996 and approximately $2.7 billion in potential reductions to USDA's budget request for fiscal year 1997. These potential rescissions and reductions are based on contingency funds and unobligated balances that were not used; programs that were funded in excess of USDA's requirements; and a ceiling on the acreage allowed under USDA's Conservation Reserve Program, which was imposed by the new farm bill (the Federal Agriculture Improvement and Reform Act of 1996, P.L. 104-127, Apr. 4, 1996).

In addition, USDA identified some programs or projects that could be terminated and others that could be supported by user fees. Additional savings would amount to $18 million for programs or projects that could be terminated and $130.5 million for programs that could be funded by user fees, resulting in a total of $1.37 billion in potential rescissions to USDA's appropriation for fiscal year 1996 and $2.83 billion in potential reductions to USDA's request for fiscal year 1997. (See table 1.)

Table 1: Potential Fiscal Year 1996 Rescissions and Fiscal Year 1997 Reductions to USDA's Accounts, Listed by Mission Area

Dollars in millions

Mission area	Account	Fiscal year 1996	Fiscal year 1997
Farm and Foreign Agricultural Services	Farm Service Agency (FSA)--Rural Clean Water Program	$ 0.7	$ 0
	FSA--Conservation Reserve Program	0	48.6
Rural Development	Rural Housing Service (RHS)--Supervisory and Technical Assistance Grants	5.2	0
	RHS--Compensation for Construction Defects	1.7	0
Food, Nutrition and Consumer Services	Food and Consumer Service (FCS)--Food Stamps	1,252.0	2,500.0
	FCS--Women, Infants, and Children	50.0	145.0
Food Safety	Food Safety and Inspection Service--User Fees[a]	0	109.4
Research, Education and Economics	Agricultural Research Service--Buildings and Facilities	0.7	0
	Cooperative State Research Education and Extension Service (CSREES)--Buildings and Facilities	31.7	0
	CSREES--Special Research Grants[b]	17.0	0
Marketing and Regulatory Programs	Animal and Plant Health Inspection Service (APHIS)--Salaries and Expenses		
	-- Control of Outbreaks	5.7	5.0
	-- Imported Fire Ant Program[b]	1.0	0
	-- Inspection and User Fees[a]	0	7.5
	Grain Inspection Packers and Stockyards Administration--User and License Fees[a]	0	13.6
Total		**$1,365.7**	**$2,829.1**

[a]USDA proposes funding via a user fee.

[b]USDA proposes termination.

Enclosure I contains additional information on the accounts that we reviewed and the amounts potentially available for rescission or reduction.

AGENCY COMMENTS

We provided USDA with a draft of this report for the Department's review and comment. USDA provided us with written comments on the draft report, which we discussed with senior USDA officials, including the Deputy Director, Office of Budget and Program Analysis. USDA stated that we are asking the Congress or the administration to reverse previously made policy decisions. We are not making any recommendations to the Congress or the administration on any policy decision. Instead, we are making budgetary information available to the Congress for its consideration of unobligated funds and other issues that present opportunities to rescind fiscal year 1996 appropriated funds or to reduce budget requests for fiscal year 1997. USDA made a number of other comments on specific budget reduction opportunities presented in this report. On the basis of these comments, we revised the report to include USDA's most current information. These comments and our responses are contained in enclosure II.

SCOPE AND METHODOLOGY

To determine whether USDA's appropriation for fiscal year 1996 and request for fiscal year 1997 for selected programs and accounts could be reduced, we identified and reviewed all of USDA's budget accounts, except for the Forest Service and Departmental Activities accounts. We examined pertinent USDA documents and interviewed knowledgeable USDA officials. We identified potential rescissions and reductions in 12 accounts in six mission areas. Except for the Conservation Reserve Program, we did not assess the impact that the new farm bill may have on the USDA programs that we reviewed. For the accounts that we reviewed, we identified the amounts actually appropriated for fiscal year 1996 and the amounts requested for fiscal year 1997.

We conducted our review from February through May 1996 in accordance with generally accepted government auditing standards.

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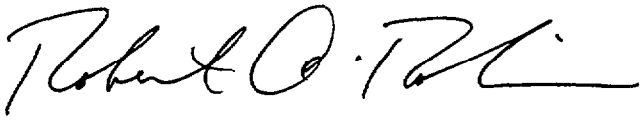
We are sending this report to you because of your role in overseeing the activities and funding of the Department responsible for the issues discussed.

We are sending copies of this report to the Secretary of Agriculture and to the Director, Office of Management and Budget. We will also make copies available to others upon request.

The major contributors to this report were Thomas Kai, W. Carl Christian, Jr., and Larry Van Sickle. Please contact me at (202) 512-5138 if you or your staff have any questions.



Robert A. Robinson
Director, Food and
Agriculture Issues

Enclosures

List of Congressional Committees

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and Forestry
United States Senate

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United States Senate

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The Honorable Richard J. Durbin
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Committee on Appropriations
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DETAILED ANALYSIS OF ACCOUNTS REVIEWED

This enclosure presents detailed information on 12 accounts in six mission areas in the U.S. Department of Agriculture (USDA). We identified these accounts as having the potential for rescissions in their appropriation for fiscal year 1996 or reductions in their budget request for fiscal year 1997. This information is presented by mission area.

FARM AND FOREIGN AGRICULTURAL SERVICES MISSION AREA

We identified two accounts in this mission area as having the potential for rescissions or reductions. (See tables I.1 and I.2.)

Table I.1: Potential Rescission in the Farm Service Agency's Rural Clean Water Program Account (Account 12-3337-X-1-304)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$0	$0
Potential rescission	0.7	0

The agency's records show that an unobligated balance of $707,000 will be available at the end of fiscal year 1996. According to these records, full funding was provided for all approved projects in previous appropriations, and the implementation period for all projects has ended with no additional obligations to be incurred. Therefore, the Congress may wish to consider a rescission to the agency's budget for fiscal year 1996 in the amount of $707,000 .

Table I.2: Potential Reduction in the Farm Service Agency's Conservation Reserve Program Account (Account 12-3319-X-1-302)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$1,782	$1,925.0
Potential reduction	0	48.6

The Farm Service Agency is requesting $1.925 billion in fiscal year 1997 for the Conservation Reserve Program (CRP). This amount includes $48.6 million to enroll 1.579 million new acres in CRP, which would allow the agency to meet its goal of 38 million total acres. The fiscal year 1996 Appropriations Act for USDA's programs bars the agency from using funds for fiscal year 1996 to enroll additional acres in CRP, but provides that 1.579 million new acres shall be enrolled in the program beginning January 1, 1997. However, the farm bill recently passed by the Congress limits CRP to 36.4 million total acres. Since CRP has already reached that level, the funds associated with the planned enrollment of additional acres in 1997 will not be needed. Therefore, the Congress may wish to consider reducing the agency's fiscal year 1997 request by $48.6 million.

RURAL DEVELOPMENT MISSION AREA

We identified two accounts that have the potential for rescissions. (See tables I.3 and I.4.)

Table I.3: Potential Rescission in the Rural Housing Service's Supervisory and Technical Assistance Grants Account (Account 12-2009-X-1-604)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$0	$0
Potential rescission	5.2	0

The agency did not receive any funding for this program in fiscal years 1995 and 1996. However, the agency's records show a balance of $5.2 million in unobligated funds available in fiscal year 1996. Therefore, the Congress may wish to consider a rescission of $5.2 million to the agency's budget for fiscal year 1996.

Table I.4: Potential Rescission in the Rural Housing Service's Compensation for Construction Defects Account (Account 12-2071-X-1-371)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$0.5	$0
Potential rescission	1.7	0

The agency received $495,000 for this program in fiscal year 1996 and requested no funding for this program in fiscal year 1997. However, the agency's records show a balance of $1.7 million in unobligated funds available for this program in fiscal year 1996. According to an agency official, these funds would be spent for construction defects that may materialize in the future. Therefore, since the agency has no current defects requiring the use of these funds, the Congress may wish to consider a rescission of $1.7 million to the agency's budget for fiscal year 1996.

FOOD, NUTRITION, AND CONSUMER SERVICES MISSION AREA

We identified two accounts that have the potential for rescissions and reductions. (See tables I.5 and I.6.)

Table I.5: Potential Rescission and Reduction in the Food and Consumer Service's Food Stamp Program Account (Account 12-3505-X-1-605)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$27,598[a]	$29,989[a]
Potential rescission/reduction	1,252	2,500

[a]Amounts include $1.143 billion in nutrition assistance for Puerto Rico.

In terms of the proposed rescission, the agency was appropriated $27.598 billion in fiscal year 1996 for the Food Stamp Program. This amount included $500 million to be placed in a contingency reserve fund. However, the agency's current estimate of total expenditures for fiscal year 1996 is $26.346 billion, leaving $1.252 billion in excess funds (including the $500 million in contingency reserve) that the agency estimates will not be used in fiscal year 1996. According to the agency's documents, the excess funds were primarily due to a decline in the number of food stamp recipients projected through fiscal year 1996. Therefore, the Congress may wish to consider a rescission to the agency's fiscal year 1996 budget in the amount of $752 million. In addition, the Congress could rescind up to $500 million of the contingency reserve if the agency's estimates continue to show that the funds will not be needed.

In terms of the proposed reduction, the agency is requesting $29.989 billion in fiscal year 1997, including $2.5 billion for a contingency reserve fund. The agency's current estimates show that the contingency fund will not be needed in fiscal year 1996, and the agency's records also show a continuing decline in participation rates in the program through fiscal year 1997. For example, the average number of participants in the program

has declined from 27.5 million in fiscal year 1994 to an estimated 25.9 million through fiscal year 1997. Therefore, if the Congress believes that the full amount of the contingency reserve fund will not be needed, it may wish to consider a reduction of up to $2.5 billion to the agency's request for fiscal year 1997.

Table I.6: Potential Rescission and Reduction in the Food and Consumer Service's Special Supplemental Nutrition Program for Women, Infants, and Children Account (Account 12-3510-X-1-605)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$3,730	$3,880
Potential rescission/reduction	50	145

In terms of the potential rescission, the agency estimates that it will have $186 million in carryover funds from its appropriation for fiscal year 1995 for the Women, Infants, and Children (WIC) program for use in fiscal year 1996. USDA officials told us that the participation rate for this program is lower than expected and that these carryover funds will not be used in fiscal year 1996. In the fiscal year 1996 Appropriations Act for USDA programs, the Congress stipulated that the Secretary of Agriculture may transfer any of the WIC program's carryover funds for fiscal year 1995 in excess of $100 million to the Rural Utilities Assistance Program and that the funds are to remain available until expended. USDA transferred $36 million of these funds, leaving $50 million in excess funds (above the $100 million stipulated by the Congress) that will not be used by the WIC program in fiscal year 1996. Therefore, the Congress may wish to consider rescinding the remaining $50 million from the WIC account.

In terms of the potential reduction, the agency is requesting $3.88 billion for the WIC program in fiscal year 1997. However, the estimated carryover for the WIC program from fiscal year 1996 is expected to be at least $195 million. If the Congress believes the language in the fiscal year 1996 Appropriations Act that allowed carryover funds of $100 million is still appropriate, it may wish to consider reducing the agency's fiscal year 1997 request by the estimated $95 million in funds above the $100 million level. Or the Congress could authorize the Secretary to transfer these funds to other USDA programs, thus reducing the amount of appropriated funds needed for those programs in fiscal year 1997. However, if the Congress rescinds the $50 million in excess funds from the fiscal year 1996 amount as mentioned above, the agency's request for fiscal year 1997 could only be reduced by $45 million.

Additionally, the agency's request of $3.88 billion for fiscal year 1997 includes a contingency reserve of $100 million to safeguard against unexpected increases in food costs. However, the request already includes anticipated increases in food costs, and agency officials told us that because the rates for participation in the program are lower than expected, they do not anticipate expenditures from this reserve. Therefore, if the Congress believes that the $100 million in contingency reserve is not likely to be needed, it may wish to consider an additional reduction to the agency's request for fiscal year 1997 in the amount of $100 million.

Given these considerations, the Congress may wish to consider a total reduction to the agency's request for fiscal year 1997 in the amount of $145 million. This reduction would consist of $45 million of excess carryover funds and $100 million for the contingency reserve.

FOOD SAFETY MISSION AREA

We identified one account that has the potential for a reduction. (See table I.7.)

Table I.7: Potential Reduction in the Food Safety and Inspection Service's Account (Account 12-8137-X-7-352)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$544.9	$574.0
Potential reduction	0	109.4

In its budget request for fiscal year 1997, the Food Safety and Inspection Service is proposing that it be authorized to collect fees for the cost of all inspection services performed at times other than during an approved primary work shift, such as an evening shift. If the Congress wishes to authorize the agency to collect fees for these services, the agency estimates that its request for fiscal year 1997 could be reduced by up to $109.41 million.

RESEARCH, EDUCATION, AND ECONOMICS MISSION AREA

We identified three accounts that have the potential for rescissions. (See tables I.8, I.9, and I.10.)

Table I.8: Potential Rescission in the Agricultural Research Service's Buildings and Facilities Account (Account 12-1401-X-1-352)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$30.2	$80.1
Potential rescission	0.7	0

According to an agency official, the design for a poultry disease laboratory in Athens, Georgia, is currently on hold, pending the Congress's determination of the future course of action for this project. This effort was funded in the amount of $677,000 in fiscal year 1993, and these funds have been carried forward into fiscal year 1996. If the Congress believes that this facility should not be completed, it may wish to consider a rescission to the agency's budget for fiscal year 1996 in the amount of $677,000.

Table I.9: Potential Rescission in the Cooperative State Research, Education, and Extension Service's Buildings and Facilities Account (Account 12-1501-X-1-352)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$57.8	$0
Potential rescission	31.7	0

The agency requested no funding for this account in fiscal year 1996 because it believes that these research and construction grants should be awarded on a competitive basis. However, the agency was provided with $57.8 million for these projects in fiscal year 1996. As of April 19, 1996, $26.1 million of these funds had been obligated. Therefore, if the Congress agrees with the agency on the criteria for awarding these grants, the Congress may wish to consider a rescission to the agency's budget for fiscal year 1996 for the balance of the unobligated funds in the amount of $31.7 million.

Table I.10: Potential Rescission in the Cooperative State Research, Education, and Extension Service's Special Research Grants Account (Account 12-1500-X-1-352)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$49.8	$5.6
Potential rescission	17.0	0

In fiscal year 1996, the agency was appropriated $49.8 million for Special Research Grants. However, the agency had requested only $15.1 million for these grants. The additional $34.7 million was for grant programs that the agency had proposed for termination. According to an agency official, these programs have only local, versus regional or national, applicability. However, as of April 19, 1996, the agency had awarded all but $17.02 million of these grants. If the Congress determines that these grants should only be awarded if they have a regional or national applicability, the Congress may wish to consider a rescission to the agency's budget for fiscal year 1996 for the balance of these funds in the amount of $17.02 million.

MARKETING AND REGULATORY PROGRAMS MISSION AREA

We identified the potential for rescissions and reductions in two accounts. (See tables I.11 and I.12.)

Table I.11: Potential Rescissions and Reductions in the Animal and Plant Health Inspection Service's Salaries and Expenses Account for Control of Outbreaks, the Imported Fire Ant Program, and Inspection and User Fees (Account 12-1600-X-1-352)

Dollars in millions

	Fiscal year 1996		Fiscal year 1997	
Action	Funding	Rescission	Request	Reduction
Control of outbreaks	$4.8	$5.7	$5.0	$5.0
Imported Fire Ant Program	1.0	1.0	0	0
Inspection and user fees	27.3	0	28.1	7.5
Total rescissions and reductions		**$6.7**		**$12.5**

Control of Outbreaks Program. We identified a potential rescission and a potential reduction. With respect to the rescission, in 1996, the agency was appropriated $4.799 million for controlling outbreaks of insects, plant diseases, and animal diseases and for controlling pest animals and birds to the extent necessary to meet emergency conditions. In addition, the agency's records show that $856,000 of carryover funds are available for fiscal year 1996 for this same purpose. However, the fiscal year 1996 Appropriations Act for USDA programs also provided the Secretary of Agriculture with the authority to transfer from other appropriations such sums as he may deem necessary to be available for such emergencies. Since the Secretary has been given the authority to transfer funds as needed to handle such emergencies, the Congress may wish to consider a one-time rescission to the fiscal year 1996 budget in the amount of $5.655 million.

With regard to the reduction, since the Secretary has been given the authority to transfer funds to handle emergencies, the Congress may wish to consider a reduction to the agency's budget for fiscal year 1997 in the amount of $5 million.

Imported Fire Ant Program. We identified a potential rescission. The agency recommended this program for termination in fiscal year 1996 and did not request any funds. The agency expects affected states to assume a greater role in the program by enforcing the quarantine. However, the program received $1 million in fiscal year 1996. If the Congress agrees with the agency that this program should be terminated, the Congress may wish to consider a rescission to the agency's budget for fiscal year 1996 in the amount of $1 million.

Inspection and User Fees. In fiscal year 1996, the agency proposed that several activities be paid for by user fees rather than by appropriated funds. However, the Congress did not approve the collection of user fees for these activities. For its budget proposal for fiscal year 1997, the agency estimates that $7.5 million of the $28.1 million requested for these activities could be credited from user fees. Therefore, if the Congress believes that these activities could be funded by the collection of user fees, and it provides the agency with the authority to collect these fees, a total of up to $7.5 million in appropriated funds could be reduced from the agency's request for fiscal year 1997.

Table I.12: Potential Reduction in the Grain Inspection, Packers and Stockyards Administration's Salaries and Expenses Account (Account 12-2400-X-1-352)

Dollars in millions

Action	Fiscal year 1996	Fiscal year 1997
Funding/request	$23.1	$24.6
Potential reduction	0	13.6

In its budget request for fiscal year 1997, the agency is proposing legislative changes that, if approved, would authorize the collection of user and license fees for certain activities now paid for by appropriated funds. For example, the agency is proposing that it be allowed to collect user fees for the service of developing, reviewing, and maintaining U.S grain standards used by the entire grain industry. If approved, the agency estimates that this action would reduce the appropriated funds needed by $3.613 million. The agency is also proposing that it be authorized to require all packers, live poultry dealers, stockyard owners, market agencies, and dealers, as defined in the Packers and Stockyards Act, to have a valid license and be subject to license fees. If approved, the agency estimates that this action would reduce the appropriated funds needed by $13.529 million, resulting in a total collection of $17.142 million in user and license fees in fiscal year 1997. However, the agency would incur $3.5 million in start-up costs for the conversion to license fee status, resulting in a net savings of $13.642 million in fiscal year 1997. Therefore, the Congress may wish to consider a reduction to the agency's request for fiscal year 1997 in the amount of $13.642 million. However, this action would require legislation authorizing the agency to collect the user and license fees for the stated purposes in order to offset the reduction in the appropriated amounts.

COMMENTS FROM THE U.S. DEPARTMENT OF AGRICULTURE

Note: GAO's comments supplementing those in the letter appear at the end of this enclosure.

United States Department of Agriculture | Office of the Secretary | Office of Budget and Program Analysis | Washington, D.C. 20250

May 22, 1996

Mr. Robert A. Robinson
Director, Food and Agriculture Issues
Resources, Community and
Economic Development Division
U.S. General Accounting Office
Washington, D.C. 20548

REF: GAO/RCED-96-182R

Dear Mr. Robinson:

Thank you for the opportunity to review the Draft GAO Report on Potential Rescissions and Reductions to USDA's FY 1996 Appropriation and FY 1997 Budget Request. We would note that very few of the recommendations in the report are based on systemic or technical considerations. Rather, the vast majority of the recommendations would ask the Congress or the Administration to reverse previously made policy decisions. For instance:

See comment 1.

-- Seventy-seven percent of the funds recommended for rescission in FY 1996 and 88 percent of the reductions recommended in FY 1997 are in the Department's Nutrition Programs, primarily Food Stamps. The recommendations ask the Congress and the Administration to reconsider their action to provide contingency funds for these programs based on the fact that current projections do not indicate a need for the use of these funds. These programs are difficult to project. The provision of contingency funds was largely the result of experience in the early 1990's when unanticipated growth in food stamp participation caused program disruption to the detriment of some of our neediest citizens. The response ensures that a modest amount of contingency funding is available so that unanticipated growth in these programs can be accommodated in an orderly manner. The funds are not used unless they are needed. A recommendation to repeal the contingency funds therefore does not save any money, it simply ensures that such growth would require the Administration and the Congress to appropriate additional funds and raises the possibility that the time required for such action would cause a reoccurrence of the disruptions of the early 1990's.

See comment 2.

-- The Report recommends rescission of $300 million in unobligated balances in the section 32 program administered by the Agricultural Marketing Service. The law authorizes the Department to use up to $300 million in such balances each year to help stabilize market conditions and meet the needs of our feeding programs when situations occur which are unanticipated in our budgets. The Report further recommends that the Congress should consider alternative sources such as the Commodity Credit Corporation for funds to meet such emergency situations, and further notes that the smallest unobligated carryover

since 1987 was $120.8 million which occurred in 1992. The existence of these funds in section 32 provides the Department with the ability to respond immediately to emergency conditions. The existence of substantial unobligated carryovers is testimony to the fact that this authority has been used sparingly and only in the most urgent situations. Rescission of these funds in FY 1996 or a change in the law to use other funding sources to meet this need would not improve the management of these programs nor save taxpayer funds. Potentially it could make it more difficult for the Department to respond to such emergencies.

See comment 3.

-- The Report endorses proposals by the Administration for increased user fees in a number of areas including the Food Safety and Inspection Service. The Administration continues to support these recommendations.

See comment 4.

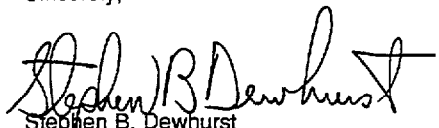
-- The Report recommends rescission of $11.4 million provided by the Congress in the FY 1992 Emergency Supplemental for the repair of Agricultural Research Service (ARS) laboratories in Hawaii and Florida. The Report states that these funds have not been obligated because, "...according to Agency officials, there has been a debate as to whether the Florida facility would be closed." ARS has decided to keep the Florida laboratory opened and will be using the remaining $11.4 million to complete repairs.

See comment 5.

-- The Report recommends rescission on $31.7 million provided by the Congress in FY 1996 for buildings and facilities under the Cooperative State Research, Education, and Extension Service and $17 million provided for special research grants to the same agency. These are primarily earmarked funds provided by the Congress, but which were not requested in the President's Budget. The Report accurately states the Administration's position that construction grants should be made on a competitive basis and that special grants should be awarded only if they have regional or national applicability.

We appreciate the opportunity to provide our comments on this Report.

Sincerely,



Stephen B. Dewhurst
Director

The following are GAO's comments on U.S. Department of Agriculture's letter dated May 22, 1996.

GAO'S COMMENTS

We are not making any recommendations to the Congress or the administration on any policy decision. Instead, we are presenting budgetary information to the Congress for its consideration of unobligated funds and other issues that present opportunities to rescind fiscal year 1996 appropriated funds or to reduce budget requests for fiscal year 1997 funds.

1. In commenting on the size of the contingency fund for the Food Stamp Program, USDA said that the fund is needed for unanticipated growth in the program. We are presenting information on the size of the contingency fund and on USDA's current data regarding the trend in program participation rates, recognizing that a certain amount of insurance is appropriate.

2. In response to USDA's comments, and on the basis of further review of the issue regarding the Agricultural Marketing Service's Section 32 funds, we deleted the section of the report dealing with these funds. We agree with USDA that a rescission of unobligated balances of the section 32 program or a change in the law to use other funding sources to meet this program's need would not save taxpayer funds.

3. Regarding USDA's comments on user fees proposed for a number of areas, we are not endorsing user fees for any of the programs. However, we are presenting information on the potential budgetary impact of authorizing user fees.

4. In response to USDA's comments on the Florida laboratory, we deleted the section of the report dealing with these funds.

5. We are not endorsing the agency's position concerning the earmarking of funds for the Cooperative State Research, Education, and Extension Service's buildings and facilities or special research grants accounts. Rather, we are presenting information on the budgetary savings that could occur on the basis of USDA's own analysis.

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