# U.S. Department of Agriculture

## Final Plan for Retrospective Analysis

#### Pursuant to Executive Order 13563

# August 18, 2011

#### I. Executive Summary of Plan and Compliance with Executive Order 13563

Executive Order (E.O.) 13563 recognizes the importance of maintaining a culture of retrospective analysis throughout the Executive Branch. Even the most rigorous pre-rulemaking analysis cannot anticipate every consequence that a rule will have, including every cost and benefit. Similarly, it is impossible to anticipate every change that will come with time, and consequently, it is necessary to reevaluate rules and related information collections in light of new experience, technology, and information.

The U.S. Department of Agriculture's (USDA) plan for retrospective analysis is designed to improve the culture of retrospective analysis and develop a schedule for identifying certain significant rules and information collections that are obsolete, unnecessary, unjustified, excessively burdensome, or counterproductive.

On May 18, 2011, USDA released its *Preliminary Plan for Retrospective Analysis*, announcing that its review and analysis will focus on areas related to the public's access to critical USDA programs, particularly those programs where access can be simplified and the reporting burdens reduced. In this final plan, USDA remains committed to minimizing the burdens on individuals, businesses and communities attempting to access programs that promote economic growth, create jobs, and protect the health and safety of the American people.

USDA invited the public to participate in its retrospective analysis through the publication of a Request for Information (RFI) in the Federal Register on April 20, 2011 (see link below). USDA also invited the public to participate through its Open Government Web site (see link below). Consistent with the need for periodic review of its regulations, USDA will continue to employ its Open Government Web site to give the public an ongoing forum to provide input and discuss the retrospective analysis of regulations, and to help USDA formulate plans for future reviews.

USDA is also updating its internal Departmental regulation that guides the regulatory development, clearance procedures, and review of existing regulations within USDA to incorporate the principles of E.O. 13563. For example, USDA will use the development of the Department's annual Statement of Regulatory Priorities to identify which regulations will be subject to retrospective analysis during the year. Further, Departmental procedures will also be updated to ensure that supporting data and analyses be made available whenever possible on USDA's Open Government Web site.

USDA emphasizes that E.O. 13563 calls not for a single exercise, but for "periodic review of existing significant regulations," with close reference to empirical evidence. It explicitly states that "retrospective analyses, including supporting data, should be released online wherever possible." Consistent with the commitment to periodic review and to public participation, USDA will continue to assess its existing significant regulations in accordance with the requirements of E.O. 13563. USDA welcomes public suggestions about appropriate reforms. If, at any time, members of the public identify possible reforms to streamline requirements and to reduce existing burdens, USDA will give those suggestions careful consideration.

# II. Scope of Plan

- (a) USDA is focusing its initial retrospective review under E.O. 13563 in the following mission areas and agencies: Rural Development (RD), Risk Management Agency (RMA), Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), the Food Safety and Inspection Service (FSIS), the Forest Service (FS), and the Animal and Plant Health Inspection Service (APHIS). These agencies are the largest regulatory and service delivery organizations in the Department. The focus of USDA's initial review will be to simplify and reduce the reporting burden on the public for entry and access to USDA programs, while simultaneously reducing its administrative and operating costs by sharing similar data across participating agencies.
- (b) While USDA is focusing its initial review on the areas identified above, USDA continues to accept comments from the public on any of its regulations and ways to improve them to help USDA's agencies advance the mission of USDA consistent with the Executive Order.

This plan contains a large number of initiatives, already undertaken or proposed here, that promise significant savings in terms of money and burden-hours. For example, USDA is proposing to allow additional administrative options for States to use telephone interviews and telephonic and electronic signatures in certifying clients for the Supplemental Nutrition Assistance Program (SNAP) program. The reduction in burden for SNAP applicant households would be about 20.7 million hours. In addition, USDA is requiring local educational agencies to conduct direct certification in conjunction with the SNAP. By eliminating the need for paper applications for millions of low-income children, direct certification can substantially reduce paperwork burden and simplify program access. The estimated reduction in burden hours for program participants is roughly 113,000 hours per year. USDA is also proposing to eliminate over 70,000 in annual burden-hours through a rule expanding the circumstances in which the labels of meat and poultry products will be deemed to be generically approved.

## III. Current Actions to Implement E.O. 13563

(a) On Tuesday, April 19, 2011, USDA issued a News Release announcing its regulatory review initiatives under E.O. 13563, including an RFI published in the Federal Register. In the News Release, the Secretary of Agriculture stated:

"As we work to out-build and out-innovate the rest of the world, we must ensure that people across the country are able to access the critical programs and resources that USDA has to offer...This comment period will allow us to hear directly from those who utilize USDA programs as we work to streamline them in a way that improves access to resources intended to create jobs and grow the economy."

The News Release is available here:

http://www.usda.gov/wps/portal/usda/usdahome?contentid=2011/04/0168.xml&contentidonly=true

(b) USDA published the RFI in the Federal Register on Wednesday, April 20, 2011, (76 FR 22058-22059), which can be accessed online at the following address:

http://www.regulations.gov/#!documentDetail;D=USDA-2011-0001-0001

(c) In addition to soliciting public comments through Regulations.gov, USDA continues to invite the public to participate in analyzing its existing significant regulations through its Open.gov Web site.

The USDA Open.gov site includes the following invitation to the public:

"We're seeking your input as we review existing program rules to determine whether any should be modified, streamlined, clarified, or repealed in order to improve access to USDA programs in support of President Obama's Executive Order to simplify and improve federal regulations."

The USDA Open.gov site can be accessed here:

http://www.usda.gov/open/Blog.nsf/dx/04192011075634AMIDEH7E.htm

(d) Response to the RFI:

USDA received over 2,100 comments in response to the RFI. Comments were received from a broad range of stakeholders, including individuals, regulated entities, and trade groups. Comments were submitted electronically on Regulations.gov, by e-mail and by regular mail.

The vast majority of comments referenced USDA's potential review of process improvements that could be achieved through the consolidation of information required to participate in farm programs administered by the FSA and the Federal Crop Insurance Program, identified as the Acreage-Crop Reporting Streamlining Initiative (ACRSI). Many of these comments responded to suggestions from other commenters that the FSA take over delivery of the Federal crop insurance program or other administrative functions of the NRCS and the RMA. ACRSI is an initiative aimed at reducing the reporting burden on USDA customers. By consolidating acreage reporting dates, linking crop codes, and sharing producer information across agencies producers will be able to provide acreage data at their first point of contact with USDA whether that be with FSA, NRCS, or their private sector crop insurance agent. Each individual agency will still be required to collect information from producers specific to their program(s); however, common information will only need to be collected once. This initiative will minimize the paperwork burden on producers and minimize the number of trips they need to make to a USDA office.

As part of the continued ACRSI implementation effort, FSA and RMA have undertaken additional outreach to stakeholders starting with a RFI published in the *Federal Register* on July 18, 2011, to provide more information about ACRSI, request additional input, and to start the 60-day comment period required by the Paperwork Reduction Act for changes to the information collection. In addition to the request for information, FSA and RMA will directly notify customers to encourage their input.

USDA also received a limited number of comments concerning other programs within USDA. These commenters suggested that FSIS carefully review its regulations to determine whether requirements for labeling, import inspection, ensuring fair trade, approval of new technologies, collection and use of epidemiological data, and adulteration decisions are relevant to current food production processes and can be eliminated or reduced. In addition, commenters suggested that the Agricultural Marketing Service (AMS) streamline the implementation of Country of Origin Labeling and procedures for purchasing commodities for nutrition assistance programs. For Rural Development, commenters recommended ways to streamline application procedures for its energy and housing programs.

All comments received in response to the RFI were evaluated and taken into account in developing this final plan for USDA.

#### IV. Current Agency Efforts for Retrospective Analysis

The programs of USDA are diverse and far reaching, as are the regulations that implement their delivery. These regulations range from nutrition standards for the school lunch program, to natural resource and environmental measures governing national forest usage and soil conservation, to emergency producer assistance as a result of natural disasters, to regulations protecting American agriculture from the ravages of plant or animal pestilence, and they extend from farm to supermarket to ensure the safety, quality, and availability of the Nation's food

supply. Regulations also codify how USDA conducts its business, including the specifics of access to, and eligibility for, USDA programs. Finally, regulations specify the responsibilities of State and local governments, private industry, businesses, and individuals that are necessary to comply with their provisions.

Many regulations function in a dynamic environment, which requires their periodic modification and, where appropriate, streamlining. For instance, periodic changes in legislative authority require significant analysis and rulemaking. In addition, the factors determining various entitlements, eligibility, and administrative criteria often change from year to year. Furthermore, the problems that are being addressed through regulation are constantly changing and require modification in order to take into account advances in technology, changes in behavior, and other factors contributing to the effectiveness of regulatory actions. In addition, estimates supporting prospective regulatory analyses may contain erroneous assumptions, producing inaccurate predictions that can be corrected with new data and analytical methods. Therefore, many regulations must be reviewed annually to reflect changes in economic and market benchmarks. Through its regulatory decision-making process, USDA routinely identifies regulations for retrospective analyses as a result of legislative reauthorizations, Section 610 reviews of the Regulatory Flexibility Act, and periodic regulatory reviews as reflected in the Unified Regulatory Agenda.

## (a) Legislative Reauthorization

Almost all legislation that affects USDA programs require the publication of regulations to provide additional requirements and detail. USDA uses the legislative cycle as an opportunity to both identify needed statutory revisions and to review the implementation of its regulations. During the course of this administration, examples of major program reauthorizations include:

- (1) The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill). The 2008 Farm Bill was enacted on June 18, 2008, and contains 15 titles and over 600 sections affecting every mission area of USDA. The implementation of over 160 regulatory actions was undertaken immediately, although; the majority of regulations have been implemented within the last two years for major programs covering domestic commodity support, crop insurance, conservation, export and foreign food assistance, bioenergy, rural development, agricultural research, marketing, animal and plant health, food safety, and food and nutrition programs. The 2008 Farm Bill provided USDA critical tools for ensuring that rural America has the means to remain viable and provide opportunities for their residents to remain in their communities. The following small number of examples indicates how existing programs were amended and new programs created to help address the challenges facing rural America.
  - <u>Supplemental Nutrition Assistance Program (SNAP)</u>: FNS is proposing to allow additional administrative options for States to use telephone interviews and telephonic

and electronic signatures in certifying clients for the SNAP program. The proposed change, which has been authorized by USDA in many States under the 2008 Farm Bill waiver authority, would be codified in the SNAP regulations at 7 CFR § 273. When finalized, it will permit households to fulfill the interview requirement without the need to visit the local SNAP office, reducing transportation costs and potential loss of wages for households, and reducing burden for State SNAP agencies that administer the program. The reduction in burden for SNAP applicant households is about 20.7 million hours.

- Streambank Restoration Projects: The Farm Bill provides multiple authorities for improving land use and addressing environmental issues. The conservation provisions administered by USDA assist farmers and ranchers in meeting environmental challenges on their land and create opportunities for addressing high priority environmental and production goals. As an example, USDA and the Environmental Protection Agency (EPA) have supported development of credible accounting standards that quantify the benefits of restoration projects. This information can be used with software developed by the Freshwater Trust, called "StreamBank," to streamline the permitting process for restoration projects across multiple Federal and State agency activities. The efficiencies gained through streamlining reduce the cost of restoration projects, while increasing standardization. Tested in 28 projects over a two-year period, StreamBank cut project timelines by up to 70 percent. The rigor brought to restoration projects through StreamBank resulted in enough confidence to exempt them from State permitting in Oregon, and dramatically streamlined Federal permitting procedures.
- Broadband: For over seven decades, Rural Development has helped deploy electric, telecommunications, water, and wastewater service to small towns and rural communities across the country. Broadband is the newest addition to this portfolio and is a natural evolution of USDA's traditional infrastructure telecommunications program. The direct benefits of broadband to the rural economy are tangible and significant. Without broadband, rural areas will lag behind their metro counterparts. With it, rural areas have an unparalleled means to overcome challenges presented by distance and can better take advantage of new economic opportunities. The 2002 Farm Bill established the first official broadband program and was amended in the 2008 Farm Bill. The changes made in the 2008 Farm Bill were the result of stakeholder input on regulations proposed to implement the 2002 Farm Bill. RD published new regulations for the broadband loan program on March 14, 2011. The new broadband loan regulation incorporates "lessons learned" under the Recovery Act's Broadband Initiatives Program, along with revisions intended to strengthen the program, increase efficiencies, and better target limited resources to unserved and

underserved areas. The new regulations will allow RD to fill the gaps that persist in rural broadband access.

- Renewable Energy: The development of renewable energy is a critical component of our efforts to rebuild and revitalize rural America. The 2008 Farm Bill has been instrumental in increasing our energy independence and expanding new technologies and markets for agricultural and environmental waste material. The programs include the Biorefinery Assistance Program, the Repowering Assistance Program and the Bioenergy Program for Advanced Biofuels, and Renewable Energy for America Program. USDA published three interim rules in February and the final interim rule in April of 2011 for these renewable energy programs. The publication of these interim rules completed the implementation of USDA's energy programs authorized by the 2008 Farm Bill. Implementation of the 2008 Farm Bill contributes to USDA's efforts to revitalize the rural economy and meet the Nation's energy challenges. These renewable energy programs provide new sources of farm income, increase domestic energy production and develop a domestic renewable energy industry which will create jobs and reduce America's dependence on imported oil. These investments benefit all of America because renewable energy provides the opportunity for a cleaner environment and greater energy security for our country.
- Value-Added Producer Grants (VAPG): The primary objective of this grant program is to help agricultural producers develop strategies to create marketing opportunities and to help develop Business Plans for viable marketing opportunities regarding production of bio-based products from agricultural commodities. As with all value-added efforts, generating new products, creating expanded marketing opportunities, and increasing producer income are the end goal. VAPG was authorized in FY 2000 by the Agriculture Risk Protection Act. The 2008 Farm Bill amended the program to provide additional opportunities for beginning and socially disadvantaged farmers. The changes also assist a broad range of agricultural producers. Improvements made to the program will create additional economic and job opportunities by helping owners of small- and medium-sized family farms sell their products in local and regional markets, part of our drive to win the future. USDA published an interim rule to implement VAPG on February 23, 2011. On June 28, 2011, RD announced the availability of approximately \$37 million in competitive grant funds for FY 2011 to help independent agricultural producers enter into value-added activities.
- <u>Cooperative Interstate Inspection</u>: Another example is a rule that establishes a new voluntary cooperative program under which State-inspected meat and poultry establishments with 25 or fewer employees will be eligible to ship meat and poultry products in interstate commerce. FSIS engaged in notice-and-comment rulemaking

and held two public meetings via teleconference to solicit public input on the program. The final rule allows State-inspected establishments located in participating States to be selected to participate in the new cooperative interstate shipment program and to ship and sell their meat and poultry products in interstate and foreign commerce. The rule will benefit these establishments by opening new markets for their products, which will help expand rural development and jobs, and increase local tax bases, strengthening the stability of rural communities where many of these establishments are located. This will also benefit small farmers and local livestock and poultry producers by providing them with access to processing plants that can sell meat and poultry products across State lines. Further, this rule will benefit consumers by generating more product choices, as more products can be shipped to new markets.

- (2) <u>The Child Nutrition and WIC Reauthorization Act of 2004</u>. This Act resulted in a number of important actions, including the following:
  - <u>Direct Certification</u>: Requiring local educational agencies to conduct direct certification in conjunction with the SNAP. Under the direct certification process, a local educational agency obtains documentation of a child's receipt of SNAP benefits from the State or local program office. This change will be codified in regulation this year at 7 CFR 245. By eliminating the need for paper applications for millions of low-income children, direct certification can substantially reduce paperwork burden and simplify program access. The estimated reduction in burden hours for program participants is roughly 113,000 hours per year.
  - Healthier Food Packages: The legislation also provided for WIC demonstration projects to evaluate the use of fresh, frozen, and canned fruits and vegetables in the Program. This helped pave the way for the first major revision of WIC food packages, implemented by rule on October 1, 2009. For the first time, most WIC recipients are receiving fruit and vegetables with WIC benefits, highlighting the importance of increased consumption. This revision makes the agency's regulatory program more effective in achieving the regulatory objectives.
  - Healthy, Hunger-Free Kids Act of 2010. Pursuant to the requirements of the Healthy, Hunger-Free Kids Act, the FNS recently published a proposed rule to update and raise nutrition standards for school meals for the first time in 15 years. The changes to school meals will help improve the health and nutrition of over 50 million children enrolled in program schools, where an average of which nearly 32 million eat a school lunch on a typical school day. The changes would add more fruits, vegetables, whole grains, fat-free and low-fat milk to school meals. Reimbursable Program meals would also be required to limit the levels of saturated fat, sodium, calories, and

trans fats in meals. The changes are based on scientific recommendations by the National Academies' Institute of Medicine (IOM) in their report, School Meals: Building Blocks for Healthy Children. The Healthy, Hunger-Free Kids Act also provides schools and communities new tools to meet the challenge of providing food that is more nutritious. The School Food Authority Revenue Rule, implemented July 1, 2011, is expected to return over \$1 billion a year to the school food account, which will help offset the cost of meal changes, plus additional reimbursement will be available for lunches that meet the enhanced nutritional requirements. Rules will be issued to strengthen the nutritional density of all foods available to school children during the school day. Other rules mandated by the legislation will help support balanced, reimbursable meals so that attractive, tasty, more nutritional meals can be provided at every school. In addition, technical assistance and increased flexibility will be provided under the Act, and USDA will work with schools and communities to help improve meals so that they are consistent with the Dietary Guidelines for Americans. Implementing these rules is the next step in raising a healthier generation of kids; and the rules will set in motion in earnest the hard work necessary by the entire host of partners that will raise the bar for America's school children. These initiatives are consistent with E.O. 13563 insofar as they make the agency's regulatory program more effective in achieving the regulatory objectives.

# (b) Periodic Regulatory Reviews

Reducing regulatory burden on the American people and our trading partners is a priority for USDA. USDA is working to revise or repeal regulations that are unnecessary as a result of changed circumstances, or are duplicative or inappropriately burdensome. USDA will work to ensure that all regulations are consistent with current regulatory priorities and principles and to otherwise improve the effectiveness of existing regulations.

USDA has an internal Departmental Regulation (DR-1512) that establishes a process for the development and review of all regulatory actions within USDA consistent with the requirements of E.O. 12866, which will be amended to meet the requirements announced in E.O. 13563. It covers the full rulemaking cycle, starting when the need for a regulatory action is first identified, and carries through drafting, technical, legal, policy, and external review, preliminary publication in the Federal Register, receipt of public comment, and final publication for inclusion in the Code of Federal Regulations. DR-1512 ensures that USDA regulatory actions foster economic growth; respect the role of State, local, and tribal governments; and do not impose unreasonable costs on society.

In addition, Section 610 of the Regulatory Flexibility Act requires agencies to review all regulations that have a significant economic impact on a substantial number of small entities within 10 years of their adoption as final rules. If a Section 610 review reveals that a regulation

is in need of revision or rescission, the agency initiates a rulemaking action, consistent with the requirements of DR-1512. For example, AMS is undertaking a Section 610 review of its National Organic Program regulations. A Federal Register Notice was published on February 25, 2011, soliciting public comment by April 26, 2011. FSIS will also undertake Section 610 reviews on regulations pertaining to the Prohibition of the Use of Specified Risk Materials for Human Food, and Requirements for the Disposition of Non-Ambulatory Disabled Cattle and Meat Produced by Advanced Meat/Bone Separation Machinery and Meat Recovery Systems.

Consequently, USDA agencies review existing regulations on an ongoing basis. If regulations are found to need revision or rescissions, agencies initiate rulemaking actions, including the preparation of regulatory impact analyses, given agency priorities and resources. The results of these reviews are reflected in the semiannual Unified Agenda of Federal Regulatory and Deregulatory Actions (Agenda), published every spring and fall. The Agenda provides uniform reporting of data on regulatory and deregulatory activities under development by agencies within USDA in conformance with E.O. 12866. Through the agenda, USDA notifies the public about planned regulations and regulatory reviews pending at the time of publication except for minor and routine repetitive actions.

For example, the Animal and Plant Health Inspection Service (APHIS) has undertaken an initiative in which animal health officials, including APHIS, State, or Accredited Veterinarians, are using mobile digital devices and scanners to read animal identification numbers and record those numbers on digitized forms instead of the current method that entails manually recording the 16-digit identification numbers of individual animals on paper forms. This more rapid method of identification could facilitate disease tracebacks as well as speed the testing often required for the importation, exportation, and interstate movement of animals. APHIS has also implemented a system for ePermits, which enables Federal regulatory officials to issue, track, and rapidly verify the validity of import permits, thus reducing data-entry, processing, and delivery time and expense.

In USDA's spring 2011 Agenda, 268 total rules were listed with two identified as Section 610 reviews.

Several factors are considered when reviewing regulations, including:

- 1. The continued need for the regulation;
- 2. The nature of comments or petitions received concerning the regulation from the public;
- 3. The complexity of the regulation;
- 4. The extent to which the regulation overlaps, duplicates, or conflicts with other Federal regulations, and, to the extent feasible, with State and local government regulations;
- 5. The length of time since the regulation has been evaluated or the degree to which technology, economic conditions, or other factors have changed in the areas affected by the regulation; and

6. The extent to which there is opportunity to reduce governmental or non-governmental burdens while still achieving statutory objectives and requirements, and any other factors which are deemed appropriate.

#### (c) Current Stakeholder and Customer Outreach Activities

On a regular basis, USDA agencies seek direct input from stakeholders and employees to determine which rules require modification. Some examples of recent efforts include:

# Rural Development

In 2009, USDA's RD mission area asked its 6,000 employees in over 500 nationwide offices how to improve RD's regulations, forms, and processes. Those suggestions were received by Rural Development's Undersecretary's office, Administrators, and Deputy Administrators.

Moreover, in late 2009 and early 2010, RD and FSA hosted a series of "Jobs Forums" in nearly every State, with many States hosting multiple forums. These forums focused on how to create jobs and economic opportunities. Each of the forums is captured in a report outlining the stakeholders' comments and suggestions, many of which targeted USDA's regulations. The comments have assisted RD in rulemaking and will be important in determining USDA's future regulatory actions and process improvements. Specifically, Rural Housing Service (RHS) plans to use the responses to develop regulation modifications for Community Facilities regulations and environmental regulations. An example summary report of the Jobs Forum is available here: <a href="http://www.rurdev.usda.gov/ne/job\_forum.htm">http://www.rurdev.usda.gov/ne/job\_forum.htm</a>.

RD also engaged in dozens of tribal consultations as it works to implement the Substantially Underserved Trust Area (SUTA) provisions contained in the 2008 Farm Bill. SUTA directs USDA to increase participation in RD programs by tribal governments and communities, including residents of Hawaiian homelands, Alaskan Natives, and Pacific Islanders, and it applies to all Rural Utilities Service (RUS) Programs, including Electric, Telecommunications and Broadband, and Water and Waste Disposal Programs. Consultation on the SUTA provisions will assist RUS' relationship with federally recognized tribes while bolstering USDA's response to the November 5, 2009, Presidential Memorandum on Tribal Consultation, that stated tribal consultation is "a critical ingredient of a sound and productive Federal-tribal relationship."

On July 7, 2011, RD hosted a nationwide webinar on its regulatory priorities. 180 national stakeholders were on the call. On July 21, 2011, RD will host a second webinar with Tribal Leaders. In addition, 47 State Rural Development directors will facilitate town hall meetings and/or webinars to be completed by early August.

From July 2011 to August 2011, RD will solicit public input and collect comments on its regulatory priorities (<u>rdregreform@osec.usda.gov</u>). A webpage was created that includes the list

of questions that will provide RD valuable input upon the development of mission area priorities for the upcoming fiscal year (http://www.rurdev.usda.gov/RD\_StakeholderOutreach.html).

These exercises provide a base for the comprehensive regulatory review process now underway. Comments received for public engagement efforts to date, identify areas of the regulations that are burdensome for applicants and employees. The agencies are utilizing the information gathered to focus initial regulation revision efforts on the most beneficial sections.

Further, all three agencies in the RD mission area have been engaging in streamlining business processes ranging from full-blown business process re-engineering in RUS' Electric Programs to simplifying internal staff instructions related to environmental reviews.

## Food Safety and Inspection Service

FSIS' outreach efforts include a variety of activities. Through outreach and exchange of perspectives, FSIS is able to identify flexible regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public, and particularly for small entities, in line with the objectives of E.O. 13563. These initiatives include providing assistance to small plant operators, small producers, international trading partners, and others, via phone and e-mail, with plain-language guidance on regulatory and other matters.

As part of the USDA "Know Your Farmer, Know Your Food" initiative to create new economic opportunities by better connecting consumers with local producers, FSIS worked with small and medium processors to reduce the complexity of regulations for approving mobile slaughter units under Federal regulations. A mobile slaughter unit is a self-contained slaughter facility that can travel from one location to another. These units can help producers meet consumer demand for locally grown and specialty products and can also serve multiple small producers in areas where slaughter services might be unaffordable or otherwise unavailable. In general, approval of a mobile slaughter facility required a great deal of stakeholder involvement, creative thinking, and problem solving, because the Federal regulations are based on fixed slaughter facilities. Traditionally, animals intended for sale as food have been transported to an inspected facility for slaughter and processing. Livestock producers in rural areas throughout the country, found it difficult, even cost prohibitive, to transport their livestock long distances to the closest inspected slaughter facility. In response to these concerns, FSIS engaged its stakeholders to develop guidelines providing solutions to the unique concerns that may arise with mobile slaughter units. Under the new guidelines developed by FSIS, small processors can benefit from mobile slaughter, which lowers processing costs, reduces stress on animals, lowers capital investment, and meets less resistance from municipalities and neighbors. USDA outreach initiatives included:

1. Two internet-based conferences, for regulations related to red meat (181 attendees) and poultry (150 attendees), both currently available online and on DVD;

- 2. Mobile slaughter unit information sessions in Boonsboro, MD for 90 participants, in Carson City, NV for 60 participants, in Ft. Collins, CO for 150 participants; and
- 3. Producer cooperatives and other producer groups to identify loan and grant programs within RD that could provide funding for mobile slaughter units. RD also provided educational materials and technical assistance to producer groups to assist them in developing feasible business plans and participated with FSIS in outreach events.

In addition, FSIS has recently conducted an outreach session on the present regulatory review plan with State experts on hazard analysis and critical control point systems and is planning further outreach on regulatory review to stakeholder groups.

#### Natural Resources Conservation Service

From June 2009 through October 2010, Soil and Water Resources Conservation Act (RCA) outreach initiatives have helped NRCS engage with conservation program participants to identify: (1) the major natural resource issues that they are facing, (2) the barriers they face, and (3) new programs or approaches to overcome barriers. More than 2,200 individuals have participated in listening sessions, focus groups, and surveys, resulting in about 1,600 participants providing comments to the process. Participants represented a cross-section of agriculture and forest interests from producers to local and State agencies and non-profit organizations. As an illustration of the scope of involvement, co-sponsors of the focus groups include the Inter Tribal Ag Council, the American Indian/Alaska Native Employee Association, and various minority representative groups.

Most recently, in March 2011, six RCA regional roundtables discussions were held around the country to gather nationwide input on challenges and opportunities facing agricultural landscapes in the 21st Century (Rock Island, Illinois; Fort Collins, Colorado; Cobleskill, New York; Mesa, Arizona; Portland, Oregon; and Columbiana, Alabama). These regional discussions helped form the agenda for the National Agricultural Landscapes Forum held in Washington DC on April 7-8, 2011, which brought together agricultural, environmental, business and policy leaders to discuss policies and programs needed to address water security and landscape integrity concerns.

NRCS Outreach and Advocacy Division. In support of E.O. 13563, NRCS Office of Outreach and Advocacy Division has also sent information about the regulatory review initiatives underway to over 500 national and State outreach coordinators, tribal liaisons, and special emphasis program managers and encouraged comments through the USDA Open.gov site. These 500 employees also have a customer list of shareholders and non-profit organizations through which they disseminated messages about USDA's retrospective analysis. Recipients may register on the website and provide input on USDA activities.

- V. Elements of Plan and Compliance with E.O. 13563
- (a) <u>Criteria for Determining Candidates for Retrospective Analysis</u>: The initial focus of USDA's E.O. 13563 retrospective analysis will be on removing barriers to access and improving public participation in USDA programs. In order to identify candidates for analysis, USDA has considered the following factors, in addition to the ones identified above, and processes in setting priorities:
  - 1. Urgency for improving customer service by means of simplification, streamlining, or improved quality for information collection procedures;
  - 2. Comments from stakeholders;
  - 3. Resource capacity and potential approval process timelines; and
  - 4. Likelihood of statutory change.
- (b) <u>Initial List of Candidates for Retrospective Analysis</u>: Applying the criteria identified above, USDA determined that the following list of programs and activities should be evaluated for review over the next two years:
  - 1. Rural Development: To better serve its customers, RD is reviewing its regulations to determine which application procedures for Business Programs, Community Facilities Programs, Energy Programs, and Water and Environmental Programs can be streamlined and requirements synchronized. RD is approaching this exercise from the perspective of the people it serves, specifically by communicating with stakeholders on two common areas of regulation that would provide the basis of reform. Programs that are focused on a similar applicant base, such as non-profit, Native American Tribes, and public bodies such as Community Facilities and Water and Environmental Programs will make an effort to have similar requirements. To the extent practicable, each reform initiative will consist of a common application and uniform documentation requirements making it easier for constituency groups to apply for multiple programs. In addition, there will be associated regulations for each program that will contain information specific to each program. The first area would provide support for entrepreneurship and business innovation. This initiative would, for example, provide for the streamlining and reformulating of the Business & Industry Loan Guarantee Program and the Intermediary Relending Program; the first such overhauls in over 20 years. The second area would provide for streamlining programs being made available to municipalities, tribes, and non-profit organizations, specifically Water and Waste Disposal; Community Facilities; and Rural Business Enterprise Grants plus programs such as Electric and Telecommunications loans that provide basic community needs. This regulatory reform initiative has the potential to significantly reduce the burden to respondents (lenders and borrowers).

2. <u>Farm and Foreign Agricultural Services</u>. The Farm and Foreign Agricultural Services (FFAS) mission area will reduce burdens on program participants through the consolidation of information collection requests required to participate in farm programs administered by FSA and the Federal Crop Insurance Program administered by RMA. FFAS will evaluate methods to simplify and standardize, to the extent practical, acreage reporting processes, program dates, and data definitions across the various USDA programs and agencies. FFAS expects to allow producers to use information from their farm-management and precision-ag systems for reporting production, planted and harvested acreage, and other key information needed to participate in USDA programs. FFAS will also streamline the collection of producer information by FSA and RMA with the agricultural production information collected by National Agricultural Statistics Service. These process changes will allow for program data that is common across agencies to be collected once and utilized or redistributed to agency programs in which the producer chooses to participate. Consideration is being given to creating a single Web site for producers to report commodity information if they so choose, or access their previously reported information.

FFAS plans to implement ACRSI in an incremental approach starting in late 2012 with a pilot in Kansas for growers of winter wheat when OMB approves the information collection with full implementation planned in 2011.

- 3. Natural Resources Conservation Service: NRCS will improve the delivery of technical and financial assistance by simplifying customer access to NRCS' technical and financial assistance programs, streamlining the delivery and timeliness of conservation assistance to clients, and enhancing the technical quality of its conservation planning and services. The streamlining initiatives will allow NRCS field staff to spend more time on conservation planning in the field with customers, reduce the time needed to implement cost-share contracts, and provide more flexibility for customers to work with NRCS in different ways. NRCS estimates that this initiative has the potential to reduce the amount of time required for producers to participate in USDA's conservation programs by almost 800,000 hours annually. This includes efficiencies from reduced paperwork, data entry by the client, and reduced travel time to and from the local office to complete forms and other administrative tasks. Improvements being considered include:
  - Providing an online portal that will allow customers to apply for programs or services, review their plans and contracts, view and assess natural resource information specifically about their farm, evaluate the costs and benefits for various conservation treatment alternatives, notify NRCS of installed practices, and check on contract payments at their convenience;
  - Creating an e-customer profile that will improve customer service by allowing the client to view, finalize, and electronically sign documents using remote electronic signature, on-site rather than at a local office;

- Providing clients with more timely and specific information on alternative conservation treatments, including the environmental benefits of their planned and applied practices;
- · Accelerating payments to clients; and
- Simplifying conservation plan documents to more specifically address client needs and goals.

NRCS will also focus on promoting environmental stewardship in the agricultural industry. In conjunction with several States and other partners, USDA is teaming with the EPA to explore "certainty" mechanisms that encourage farmers to implement voluntary practices that reduce impacts on water quality in exchange for regulatory certainty for their operations. In particular, if farmers' voluntary actions result in quantifiable and verifiable improvements in water quality and resource conservation, USDA and EPA are working with States to develop programs that can provide assurances that the farmers' actions are consistent with State plans to improve water quality. USDA and EPA's efforts are intended to allow States flexibility to increase farmers' and other landowners' interest and willingness to adopt the most effective land stewardship practices by providing incentives that increase the pace and extent to which resource conservation and verifiable water quality improvements are achieved.

4. Food Safety and Inspection Service: FSIS will continue to review its regulations to identify improvements in information collection procedures, including streamlining and burden reduction, to reduce costs and to improve the quality and sufficiency of data available to inform and support regulatory decision making. FSIS is considering how its new Public Health Information System (PHIS) could potentially be used to share data and reduce data reporting requirements. PHIS has four components: domestic inspection, import activities, export activities, and predictive analytics. PHIS will allow FSIS to adjust domestic and import inspections and sampling based on trends. PHIS will also enhance FSIS' ability to find relationships between Salmonella test results and inspection findings and will allow FSIS to notify field and headquarters personnel about potential public health threats. Further, PHIS will improve FSIS' ability to systematically verify the effectiveness of foreign food safety systems. PHIS will enable greater exchange of information between FSIS and other Federal agencies (such as U. S. Customs and Border Protection) involved in tracking cross-border movement of import and export shipments of meat, poultry, and processed egg products.

Consistent with this plan, FSIS will propose to amend its import inspection regulations to provide for the electronic transmittal of foreign establishment certificates and foreign inspection certificates. FSIS will also propose to amend its regulations to give importers the option of submitting electronic import inspection applications. These regulations are intended, in part, to accommodate PHIS.

In response to comments received on the request for information preparatory to the Department's regulatory review plan, FSIS is also developing a rule that will expand the circumstances in which the labels of meat and poultry products will be deemed to be generically approved by FSIS. The rule will reduce duplication by consolidating the nutrition labeling rules that currently are stated separately for meat and poultry products (in part 317, subpart B, and part 381, subpart Y, respectively) and by amending their provisions to set out clearly various circumstances under which these products are misbranded.

The proposed rule would allow FSIS to realize an estimated discounted cost savings of \$2.9 million over 10 years. The proposed rule would be beneficial because it would streamline the generic labeling process, while imposing no additional cost burden on establishments. Consumers would benefit because industry would have the ability to introduce products into the marketplace more quickly.

5. Forest Service: Before beginning a management project, FS undertakes extensive environmental analyses under the National Environmental Policy Act (NEPA). These analyses ensure that FS fully considers the environmental implications of projects, considers public input, and examines a range of alternatives. The FS integrates the analyses and consultation required by other federal laws, such as the Endangered Species Act and the Historic Preservation Act, into the NEPA process as well. A 2007 internal study by the FS found that project planning, which includes project design, environmental analyses, public involvement, and compliance with all other federal and state laws, costs FS over \$350 million annually, and the reviews entail significant time commitments. An Environmental Impact Statement (EIS) can take more than a year and half to complete, and an Environmental Assessment (EA) can take more than 8 months to complete.

The Natural Resources and Environment mission area and FS, in cooperation with the Council on Environmental Quality (CEQ), is considering a series of initiatives to improve and streamline the NEPA process as it applies to FS projects. Without jeopardizing environmental quality, these initiatives would distinguish between those projects that may have little or no adverse environmental impact (e.g. a tree planting or a stream restoration project), and those that have a significant impact (e.g. an open pit mining project). This initiative will build on recent actions taken by the Forest Service to experiment with reductions in the time needed to complete NEPA reviews. These include performing NEPA analyses on very large areas and then implementing individual projects within these areas under an umbrella NEPA document and modernizing the NEPA form and comment processing by using electronic storage and interfaces.

Examples of potential new initiatives include:

- Proposed categorical exclusions for: (a) removing water control structures when hazardous materials are not present, (b) removing debris or sediment caused by natural disasters, (c) decommissioning user created roads, identified in motor vehicleuse maps.
- Focused EA's where FS would endeavor to analyze projects within a 10-20 page document that is in compliance with NEPA;
- Adaptive EIS's that evaluate a general problem in a more programmatic way which would allow the agency to implement site-specific projects without the necessity of additional EA's or EIS's, or tier-off the Adaptive EIS when there are unique or extraordinary site specific circumstances; and
- Agency engagement with stakeholders and other collaborators early in the NEPA process.
- 6. Animal and Plant Health Inspection Service: APHIS will conduct a two-year, voluntary, pilot project to improve the approval process for genetically engineered organisms. APHIS hopes the pilot project will improve the quality and timeliness of the process, while also reducing the cost. APHIS will evaluate the feasibility of two methods preparing environmental documents prepared outside of APHIS to help meet NEPA requirements. In the first, APHIS would allow petitioners requesting approval of an organism to voluntarily submit the underlying environmental reports based upon which APHIS would develop an EA or EIS. Under the second mechanism, the EA and EIS would be prepared by a contractor, funded by a cooperative services agreement between the petitioner and APHIS. Under the contractor-prepared EA or EIS mechanism, petitioners will provide funds for the environmental analyses and documents, while APHIS will select and direct the contractor. In addition, with this mechanism, analyses and documents may be prepared for the entire NEPA process or only part of the process. APHIS will independently evaluate all information and references in the environmental documents, supplement the information and analysis in the environmental reports as necessary, and make its own evaluation of the environmental issues and the adequacy of the analyses of those issues to ensure that the scope and content of the environmental analyses meet all NEPA requirements. The pilot will focus on petitions for non-regulated status and will not focus on permits or notifications.

The table below summarizes specific reforms and initiatives that USDA is undertaking to significantly reduce existing regulatory burdens and promote economic growth and job creation.

Regulations and/or Information Proceses to be changed	Description of Change	Estimated/Actual Burden hours and/or cost reductions	Milestones and Timeline for Implementation	
USDA – Food Safety and Inspection Service				
Prior Label Approval System: Generic Label Approval	The rule proposes to expand the circumstances in which the labels of meat and poultry products will be deemed to be generically approved by FSIS. The rule also proposes to combine the regulations that provide for the approval of labels for meat and poultry products into a new part in Title 9 CFR.	73,730 hours when implemented.	Proposed rule planned for publication in the Federal Register in December 2011.	
Electronic Export Application and Certification Fee	Provides for the electronic transmittal of foreign establishment certifications between FSIS and foreign governments. Deletes the prescriptive language requirements of the current foreign establishment certificates. Consolidates 4 foreign inspection certificates (meat, meat by-products, poultry, and egg products) into 1 certificate. This rulemaking is intended, in part, to accommodate the Agency's electronic Public Health Information	the cost of the paper-based process.  Use of an electronic foreign inspection certificate is estimated to reduce	Proposed rule planned for publication in the Federal Register in Fall 2011.	
USDA – Forest Service				
National Environmental Policy Act Efficiencies	Supplement NEPA procedures with three categorical exclusions for soil and water restoration activities.	NEPA compliance costs the Forest Service over \$350 million, annually. Categorical exclusions will reduce cost and time commitment burden on the agency without reducing environmental protection.	Proposed rule planned for publication in the Federal Register by October 2011.	
USDA – Rural Development				
Rural Energy for America Program (REAP)	Streamline the operation of the program.	8,832 hours.	Proposed rule planned for publication in the Federal Register by December 2011.	
Business and Industry Loan Guaranteed Program	The proposed rule will alter the way RBS services the loan guarantees making the program operate at a lower cost.		Final rule planned for publication in the Federal Register by September 2012.	
Water and Waste Loans and Grants	Update the operations aspects of the loan and grant program to reduce the burden on the borrower	Current burden estimate of 131,469 hours	Guidance expected by September 2011.	

Community	Update program operations in an	Currently under development.	Proposed rule planned for	
Facilities Loan and	effort to consolidate, streamline, and	, i	publication in the Federal	
Grants	simplify existing processes.		Register by October 2011.	
USDA – Food and Nutrition Service				
Supplemental	FNS is proposing to allow additional	Reduction in burden for SNAP	Proposed rule published May	
Nutrition	administrative options for States to use	applicant households is about	2011. The final rule is	
Assistance	telephone interviews and telephonic	20.7 million hours.	expected to be published by	
Program (SNAP)	and electronic signatures in certifying		late 2012.	
	clients for the SNAP program. The	Permitting households to		
	proposed change, which has been	fulfill the interview		
	authorized by USDA in many States	requirement without the need		
	under program waivers, will be	to visit the local SNAP office		
	integrated in regulation pursuant to	reduces transportation costs		
	the 2008 Farm Bill.	and potential loss of wages for		
		households, and reducing		
		burden for State SNAP		
		agencies that administer the		
		program.		
Child Nutrition	Requiring local educational agencies to		Interim rule published June	
	conduct direct certification in		2011; effective in the coming	
School Lunch	conjunction with the SNAP. Under		school year (2011-12).	
Program (NSLP)	the direct certification process, a local	year.		
and School	educational agency obtains			
Breakfast Program	documentation of a child's receipt of			
(SBP)	SNAP benefits from the State of local			
	program office.			

- (c) <u>Organization and Structure</u>: USDA Deputy Secretary, Kathleen Merrigan, will oversee the retrospective review team, comprised of mission area and agency-level regulatory review coordinators and work groups, who will be responsible for implementing the plan. E-mail: reg.review@obpa.usda.gov.
- (d) <u>Regulatory Decision Making Procedures</u>: USDA will update its DR-1512 for Regulatory Decision Making Requirements to incorporate the principles of E.O. 13563. Consistent with E.O. 13563, DR-1512 establishes USDA's regulatory requirements and clearance process, including the retrospective analysis of existing significant regulations and regulations having a significant economic impact upon a substantial number of small entities under the Regulatory Flexibility Act.

As part of USDA's efforts to improve retrospective analysis, DR-1512 will be amended to more formally incorporate retrospective analysis into regulatory development procedures. Specifically, agencies will be required to identify regulations that will be subject to retrospective analysis as part of their regulatory planning efforts. As discussed above, DR-1512 identifies criteria that agencies should apply when identifying regulations that should be subject to retrospective analysis. These criteria were supplemented with additional criteria for developing the plan. USDA has reviewed these criteria and will update them to reflect the principles of E.O. 13563. In particular, a new element for review will be the availability of any new

information that would indicate that the foundation for the rule has changed. The public can play an important role in providing new information that could be used to reassess the effectiveness of a particular rule. Those regulations selected for retrospective review will be identified in the USDA Statement of Regulatory Priorities, which is published annually. Once a regulation is selected for review, the implementing agency will be required to seek public input on the regulation, and seek detailed data that can inform the retrospective analysis, and issue any findings as a result of the retrospective analysis.

USDA will supplement its regulatory review process by expanding opportunities for the public to provide input on which regulations should be subject to retrospective analysis. Public input will be accepted through the USDA Open.gov site. The USDA Open.gov site provides a new way for agencies to engage the public and to increase transparency and openness. Utilizing the Open.gov site will provide the public 24/7 access for identifying regulations that are outmoded, ineffective, insufficient, or excessively burdensome and should be modified, streamlined, or repealed. The public may also use the Open.gov site to identify those regulations that are effective and should be expanded.

Consistent with USDA's Open.gov plan and Section 2 of E.O. 13563, which directs agencies (to the extent feasible and permitted by law) to give the public timely online access to the rulemaking docket on Regulations.gov, "including relevant scientific and technical findings," agencies will make more information available for public review. For proposed rules, these scientific and technical findings documents will be part of the rulemaking docket on Regulations.gov.

- (e) <u>Coordination with other Federal agencies</u>: USDA will cooperate with other Federal agencies to coordinate actions in order to avoid duplicative or unnecessary rules and ensure compliance with international obligations. Examples of how select USDA agencies coordinate with other Federal agencies that have jurisdiction or similar interests:
  - 1. <u>Farm Service Agency</u>: FSA coordinates closely with the Department of the Interior's Fish and Wildlife Service (FWS), EPA, CEQ, as well as, USDA's NRCS and FS on the development of conservation program regulations, the Conservation Reserve Program sign-up, and other conservation and environmental issues.
  - 2. <u>Rural Development</u>: RD coordinates with the Departments of Housing and Urban Development, Energy, Commerce, and the Small Business Administration on the development of program regulations concerning single and multi-family housing, rural business development and entrepreneurial activities, and bio-energy development and utilization.
  - 3. <u>Natural Resources Conservation Service</u>: NRCS chairs a State Technical Committee in each State through which other Federal agencies are able to coordinate initiatives at the State and local levels. FWS has a Farm Bill Coordinator through whom NRCS

coordinates its wildlife issues. There are regional coordination efforts through initiatives such as the Chesapeake Bay Watershed initiative, Great Lakes Restoration Initiative, and the Sage Grouse Initiative. At the national office, NRCS holds and attends meetings with its counterparts in FSA, FS, AMS, the Bureau of Indian Affairs, FWS, the U.S. Army Corps of Engineers, and EPA as conservation issues arise. NRCS also invites agencies that have specific expertise or jurisdiction by law over an action being proposed in a watershed plan to be a cooperating agency, including the U.S. Army Corps of Engineers and FWS.

- 4. <u>Food Safety and Inspection Service</u>: FSIS consults regularly with the Food and Drug Administration (FDA) on a broad range of issues affecting the safety of the food supply. FSIS also works through USDA's Foreign Agricultural Service to officially notify all proposed and final regulations to the World Trade Organization (WTO), which is an obligation of all WTO member countries as part of the Sanitary and Phytosanitary Agreement. FSIS works cooperatively with the Office of the United States Trade Representative (USTR) to ensure that regulations implemented by the United States are consistent with our international rights and obligations.
- 5. Forest Service: FS coordinates, collaborates, and consults with several other resource agencies both informally and on a formal basis during the formulation of agency rules and internal policy. This includes the following Federal agencies: Natural Resources Conservation Service, Animal and Plant Health Inspection Service, Department of Justice, US Fish and Wildlife Service, National Park Service, Bureau of Land Management, Bureau of Indian Affairs, Army Corps of Engineers, Department of Commerce, and Environmental Protection Agency. In addition, FS works cooperatively with State foresters, tribal leaders, and other partners, to assist forest landowners, public and private, to manage their lands for sustainability.
- 6. Animal and Plant Health Inspection Service: APHIS interacts closely and on a daily basis with the Department of Homeland Security's U.S. Customs and Border Protection (CBP). CBP conducts inspections at ports of entry to carry out and enforce APHIS' regulations. APHIS coordinates biotechnology regulatory actions with FDA and EPA under a multi-agency coordinated framework. APHIS routinely holds interagency meetings, which involve the Office of Science and Technology Policy, USTR, FDA, and USDA's FSIS.

## VI. Components of Retrospective Cost-Benefit Analysis

(a) The USDA rulemaking process currently includes a department-wide initiative to reduce burden on participants and program administrators by focusing on improving program outcomes, and particularly on achieving the performance measures specified in USDA's Strategic Plans (http://www.ocfo.usda.gov/usdasp/sp2010/sp2010.pdf).

In accordance with OMB Circular A-4, Regulatory Analysis, a cost-benefit analysis (CBA) is the primary tool used for evaluating the impact of regulations. CBA is most effective when all benefits and costs can be quantified and expressed in monetary units. This provides a clear indication of the most efficient alternative. However, as noted in A-4, it is not always possible to express in monetary units all of the important benefits and costs. When it is not, the most efficient alternative will not necessarily be the one with the largest quantified and monetized net-benefit estimate. In such cases, agencies may factor in non-quantified benefits or costs into the overall analysis. As an alternative to CBA, A-4 suggests that cost-effectiveness analysis can be used to provide a rigorous way to identify options that achieve the most effective use of the resources available without requiring monetization of all relevant benefits or costs.

USDA also takes into account efforts to reduce the burden of information collection on the public. Agencies across USDA are providing electronic alternatives to their traditionally paper-based customer transactions. As a result, producers increasingly have the option to electronically file forms and all other documentation online. Supporting these efforts are ongoing analyses to identify and eliminate redundant data collections and streamline collection instructions. The end result of implementing these initiatives is better service to USDA's customers, enabling them to choose when and where to conduct business with USDA.

USDA will also consider areas where current regulations have a significant impact on international trade and investment and, if applicable, analyze existing international standards or regulatory approaches as possible alternatives. The agency is currently working with Canada and Mexico on initiatives that might lead to changes in current US regulations.

Finally, USDA will consider how regulations might be designed and written in ways that facilitate evaluation of their consequences and thus promote retrospective analyses and the measurement of actual results. For example, it may consider the use of experimental or quasi-experimental designs, including randomized controlled trials, when promoting the empirical testing of the effects of rules.

(b) To ensure that an agency has the data available with which to conduct a robust retrospective analysis, some agencies will rely on established means for collecting data.

Beyond collecting this information, many USDA agencies rigorously maintain databases that can be leveraged to conduct an informed retrospective analysis. For example, the Grain Inspection, Packers and Stockyards Administration (GIPSA) maintains separate electronic (industry-specific) databases that track complaints received, investigations conducted, formal actions taken and the final resolution or outcome. The data contained within these systems provide GIPSA's management with a wealth of information on industry trends with which to make management decisions regarding rulemaking.

Other USDA agencies routinely communicate with stakeholders. For example, FNS maintains a robust dialogue with the State agencies that operate programs pursuant to FNS' regulations to identify potential improvements. Recognizing the need to balance simplification and flexibility with strong accountability for taxpayer funds and protections for clients, the agency works closely with its program partners to identify opportunities for reform consistent with their statutory mission.

## VII. Public Participation

USDA continues to welcome input from the public on any of USDA's regulations and ways to improve them to help USDA agencies advance the mission of the Department consistent with the E.O. USDA encourages the public to provide suggestions on those rules that have been in effect for a sufficient amount of time to warrant meaningful evaluation. Those interested in offering input are asked to provide them through the "Discussion" tab of USDA's Open.gov Web site, a Web-based portal that makes it easy for citizens to participate in Federal activities. Electronic submission allows maximum time to prepare and submit a suggestion, and ensures timely receipt by USDA. Follow the instructions provided on that site to submit comments electronically.

<u>FOR FURTHER INFORMATION CONTACT</u>: Julie Hetrick, Office of Budget and Program Analysis, Jamie L. Whitten Building, Room 101–A, USDA, 1400 Independence Ave., SW., Washington, DC 20250; or reg.review@obpa.usda.gov.