

United States Senate
WASHINGTON, DC 20510

April 7, 2023

VIA ELECTRONIC TRANSMISSION

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture

Dear Secretary Vilsack:

The Department of Agriculture (USDA) distributes billions of taxpayer dollars to farmers every year for income support.¹ By law, the recipients are required to actively engage in farming. This includes engagement through significant contributions of capital, land, and/or equipment and significant contributions of active personal management and/or personal labor.² The USDA's Farm Service Agency (FSA) is responsible for ensuring that farming operation members meet the criteria.³

In September of 2013, the Government Accountability Office (GAO) "found weaknesses in how FSA implemented regulations" to ensure those criteria are met.⁴ On June 5, 2017, I asked GAO to provide an update with respect to that September 2013 report.⁵

In October of 2020, GAO provided the requested update.⁶ GAO found that USDA had "made progress in completing and reporting on reviews to determine if recipients of farm program payments comply with requirements for being actively engaged in farming...."⁷ GAO also found issues with respect to how FSA monitored its data compliance noting that it did not systematically do so.⁸

¹ United States Government Accountability Office, *Farm Programs: USDA Has Improved Its Completion of Eligibility Compliance Reviews, but Additional Oversight is Needed*, REPORT TO THE HONORABLE CHARLES E. GRASSLEY, PRESIDENT PRO TEMPORE, U.S. SENATE GAO-21-95 (Oct. 2020) <https://www.gao.gov/assets/gao-21-95.pdf> at 2.

² *Id.*

³ *Id.* at 9.

⁴ *Id.* at 2.

⁵ Letter from Hon. Charles E. Grassley to Hon. Gene Dodaro, (June 5, 2017)

<https://www.grassley.senate.gov/imo/media/doc/GAO%20payment%20eligibility%20update%20request%206.6.2017.pdf>.

⁶ United States Government Accountability Office, *supra* note 1, at 2.

⁷ *Id.*

⁸ *Id.* at 3

The GAO made five recommendations⁹ and all five are still open after two and a half years.¹⁰ In order for Congress to better understand the progress USDA is making on satisfying these requirements, please provide answers to the following questions by April 21, 2023:

1. Recommendation 1 of this report is, “The FSA Administrator should improve the accuracy of compliance review tracking system data by establishing controls, including electronic safeguards such as preventing a compliance review from being entered as both waived and completed.”¹¹ What steps has USDA taken to close this recommendation? Please describe.
2. Recommendation 2 of this report is, “The FSA Administrator should build upon ongoing efforts to improve the monitoring of the compliance review tracking system data by updating the FSA handbook to specify how to periodically run reports on the status and results of compliance reviews, the types of information to examine during these periodic checks on these reviews, and how frequently to perform these checks.”¹² What steps has USDA taken to close this recommendation? Please describe.
3. Recommendation 3 of this report is, “The FSA Administrator should examine compliance review teams’ use of interviews of farming operation members and provide additional guidance or training as necessary.”¹³ What steps has USDA taken to close this recommendation? Please describe.
4. Recommendation 4 of this report is, “The FSA Administrator should examine the extent to which compliance review teams documented the reasons for not doing an interview and provide additional guidance or training as necessary.”¹⁴ What steps has USDA taken to close this recommendation? Please describe.
5. Recommendation 5 of this report is, “The FSA Administrator should examine compliance review teams’ completion of compliance review records and provide additional guidance or training as necessary.”¹⁵ What steps has USDA taken to close this recommendation? Please describe.

⁹ *Id.* at 30-31.

¹⁰ U.S. Government Accountability Office, *Farm Programs: USDA Has Improved Its Completion of Eligibility Compliance Reviews, but Additional Oversight Is Needed*, GAO (Oct. 30, 2020) <https://www.gao.gov/products/gao-21-95> (last accessed April 5, 2023).

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

6. Has the FSA improved monitoring of the tracking system data and the status of compliance reviews? Has the FSA started to use more staff resources to monitor the system? Please describe.
7. What has caused the delay in resolving these recommendations? Please explain.

Thank you for your attention to this important matter. If you have any questions, please contact my Committee staff at (202) 224-0642.

Sincerely,



Charles E. Grassley
Ranking Member
Committee on the Budget