

**Statement by
Christopher Zehren
Deputy Director, Office of Budget and Program Analysis
United States Department of Agriculture
Committee on Homeland Security and Governmental Affairs
Subcommittee on Regulatory Affairs and Federal Management
November 5, 2015**

Chairman Lankford, Ranking Member Heitkamp, and Members of the Committee, I am pleased to have this opportunity to discuss the Department of Agriculture's efforts to reduce regulatory and paperwork burdens on the American people, and to provide easier public access to USDA's programs.

Under the Obama Administration and Secretary Vilsack's leadership, streamlining our processes and optimizing efficiency has been a critical element of our strategy to better serve our customers. We have incorporated these goals both through our formal retrospective review process and implementation of key periodic reauthorizations passed by Congress.

Retrospective Review

Secretary Vilsack has made improving the effectiveness of regulations and administrative processes a priority for USDA. Since President Obama issued Executive Orders 13563 and 13610 in January 2011, and May 2012, respectively, USDA has initiated a rigorous, open, and robust review of its regulations, data sharing, and paperwork collections that may be outmoded, ineffective, insufficient, or excessively burdensome, and to modify streamline, expand, or repeal them accordingly. As a result, USDA has initiated 22 priority reviews, 9 of which have been completed.

Based on USDA's evaluation and public input, USDA released its Final Plan for Retrospective Analysis on August 18, 2011. The final plan identified nine priority initiatives to significantly reduce regulatory and paperwork burdens. These include: Prior Label Approval System; Generic Label Approval; Electronic Export Application and Certification Fee; National Environmental Policy Act Efficiencies; Rural Energy for America Program; Business and Industry Loan Guaranteed Program; Water and Waste Loans and Grants; Community Facilities Loan and Grants; Supplemental Nutrition Assistance Program; and Child Nutrition Programs – National School Lunch Program and School Breakfast Program.

To ensure the highest priority needs continue to be met, USDA senior policy officials conduct a top-to-bottom regulatory review twice each year as part of the development of the USDA Unified Regulatory Agenda. As part of this review, Agencies are directed to identify specific topics, regulations, and paperwork collections that are outmoded, ineffective, or excessively burdensome, particularly those identified by stakeholders. Agencies are also directed to review economically significant rules issued over the last 10 years and the most burdensome paperwork collections to identify potential areas of reform.

USDA invited the public to participate in its review through the publication of a Request for Information (RFI) in the Federal Register on April 20, 2011. USDA also invited the public to participate through its Open Government Web site. Through this effort, over 2,100 public comments were received from a broad range of stakeholders, including individuals, regulated entities, trade groups, and USDA employees. On March 17, 2015, the Department published a second USDA-wide RFI in the Federal Register, and provided agencies with regulatory look-back talking points for use at scheduled public engagement events. In addition, USDA's largest regulatory and service delivery organizations conducted independent public outreach activities employing a variety of mechanisms, including social media and traditional RFIs to continue seeking input from the public.

For example, Rural Development hosted a nationwide webinar on its regulatory priorities on June 13, 2011. This was in addition to planned town hall meetings hosted by RD state directors during the month of June at rural community colleges. Similarly, on July 19, 2011, the Risk Management Agency (RMA) and the Farm Service Agency (FSA) published an RFI in the Federal Register seeking input on improving common acreage reporting processes, and on July 21, 2011, RMA posted an entry on USDA.gov seeking input on establishing a Single Data Reporting System. The Food Safety and Inspection Service (FSIS) asked its stakeholders to identify potential improvements in information collection procedures to increase the quality of data available to inform and support regulatory decision making.

All comments received from our stakeholders regarding USDA's retrospective review efforts, whether through formal solicitations or routine outreach and stakeholder communication, are directed to the appropriate agency, reviewed, and taken into consideration as agencies at USDA develop their annual regulatory program.

The Department's July 2015 status update introduced two new burden reduction initiatives: Food and Nutrition Service (FNS) final rule for Simplified Cost Accounting and Other Actions to Reduce Paperwork in the Summer Food Service Program (SFSP), and Rural Business-Cooperative Service (RBS) interim rule for Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance. The FNS rulemaking extends simplified cost accounting and reporting procedures to SFSP sponsors in all States, and eliminates the cost comparison requirements for determining payments to sponsors, thereby reducing the paperwork burden by 27,184 hours. RD's interim rule implements a new 2-phase application process that is expected to reduce the overall paperwork burden by approximately 30,000 hours.

Periodic Reauthorizations

Periodic changes in legislative authority also contribute to USDA's effort to modernize its regulations and reduce paperwork burdens. As these periodic reauthorizations are passed on a rolling basis - roughly every five years -, it creates an ongoing opportunity for our stakeholders and Congress to directly weigh in on many of the major programs administered by the Department and to provide feedback on regulations in place to implement the programs being reauthorized.

For example, the Agricultural Act of 2014 (Farm Bill) and the Healthy, Hunger-Free Kids Act (HHFKA) of 2010, have both introduced numerous program reforms that eliminate obsolete and underperforming programs, simplify the administration of programs, and improve program outcomes. While not formal retrospective reviews, implementing these periodic authorizations create ongoing opportunities to evaluate current regulations and rules to ensure they are best serving our customers. The rapid and effective implementation of these laws has been the highest priority for the Department.

As part of our efforts to reduce burden and increase access to programs, USDA has invested significant resources in information technology to streamline application processes to increase access to USDA programs. Prime examples are the Acreage and Crop Reporting Streamlining Initiative (ACRSI) and the Conservation Delivery Streamlining Initiative (CDSI) that will transform the way we interact and conduct business with agricultural producers when fully implemented.

Another example of significant burden reduction was the implementation of direct certification for school meals. This process eliminated paper-based applications for many low-income families. Under the revised process, States and school districts directly certified 12.3 million children at the start of school year 2012-2013, an increase of 740,000, or 6 percent, from the previous school year and resulted in a burden reduction of approximately 113,000 hours.

Conclusion

I would again like to thank the Committee for the opportunity to testify on the Department's regulatory review processes. The Department is proud of our efforts to reduce regulatory and paperwork burdens on the American people, and to provide easier public access to USDA's programs. I would be happy to answer any questions.