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Actions Needed To Terminate Federal Administration Of State Rural Rehabilitation Funds Program

B-114873

Farmers Home Administration
Department of Agriculture

**UNITED STATES
GENERAL ACCOUNTING OFFICE**

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AUG. 18, 1972



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

RESOURCES AND ECONOMIC
DEVELOPMENT DIVISION

B-114873

Dear Mr. Secretary:

This is our report on our review of the State rural re-
habilitation funds program administered by the Farmers Home
Administration, Department of Agriculture. This report con-
tains recommendations for actions needed to terminate the
Federal administration of the program.

C/S
Copies of this report are being sent today to the Chair-²¹⁵⁰⁰
men, House and Senate Committees on Government Operations; ^{H 1505}
the Chairman, Intergovernmental Relations Subcommittee, House ²³⁰⁰
Committee on Government Operations; the Chairmen, House and
Senate Committees on Appropriations; the Chairman, Subcommit-
tee on Agriculture and Environmental and Consumer Protection,
Senate Committee on Appropriations; the Chairman, Senate Com-
mittee on Agriculture and Forestry; the Chairman, House Com-
mittee on Agriculture; and Congressman L. H. Fountain,
pursuant to his request.

Copies are also being sent to the Director, Office of
Management and Budget; the Office of the Inspector General;
and the Administrator, Farmers Home Administration.

Sincerely yours,

Henry Eschwege

Director, Resources and
Economic Development Division

The Honorable
The Secretary of Agriculture

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ABBREVIATIONS

AREF Arkansas Rural Endowment Fund, Inc.

FHA Farmers Home Administration

GAO General Accounting Office

SYMBOLS

GENERAL ACCOUNTING OFFICE
REPORT TO THE
SECRETARY OF AGRICULTURE

ACTIONS NEEDED TO TERMINATE
FEDERAL ADMINISTRATION OF STATE
RURAL REHABILITATION FUNDS PROGRAM
1 Farmers Home Administration 388
✓ Department of Agriculture B-114873 4.

D I G E S T

WHY THE REVIEW WAS MADE

Since the mid-1930s the Farmers Home Administration (FHA) of the Department of Agriculture and predecessor agencies have administered, in trust, assets belonging to State rural rehabilitation corporations. The assets consist primarily of farm ownership and operating loans. The assets originated during the economic depression of the 1930s from Federal grants to the States for rural relief and loan programs.

In 1958 FHA began entering into agreements with 42 States to return assets held in trust at that time. FHA suspended this effort in 1961 but reactivated it in 1969.

As of June 30, 1971, FHA had entered into liquidation agreements with 39 of the 42 States and had returned assets valued at about \$41 million, but it still held assets valued at about \$5 million in trust for 32 States. FHA is responsible for maintaining control over the States' uses of the returned assets.

The General Accounting Office (GAO) made this review to evaluate (1) FHA's efforts to return all trust assets to the States, (2) FHA's problems in returning certain assets to the States, and (3) the need for continued Federal control over the uses of the returned assets.

FINDINGS AND CONCLUSIONS

As of June 30, 1971, FHA had returned to the States most of their trust assets and was taking adequate action to return most of the remaining assets. Additional action should be taken, however, to complete the return of all assets and to terminate FHA's responsibility for control over the uses made of the returned assets.

FHA held about \$163,000 in trust assets for Pennsylvania at June 30, 1971. Previously FHA had returned about \$356,000 in assets to the Pennsylvania Department of Public Welfare, the State agency authorized to receive and administer them. The State does not want to accept the remaining assets until its legislature transfers the authority to receive and administer the assets to the State's Department of Agriculture.

FHA's trust agreement with Pennsylvania provides that either party can terminate the agreement upon a 30-day notice. If the Pennsylvania Legislature does not act, FHA should notify the State of FHA's intention to return the assets to the State's Department of Public Welfare. (See p. 9.)

At June 30, 1971, the trust assets included (1) about \$32,000 in judgments against 23 debtors for unpaid loan balances, (2) about \$700 due from two former employees (defalcations), and (3) about \$344,000 in operating loans secured by collateral which also secured FHA loans.

The judgments and defalcations also involved amounts due the Federal Government. No payments had been made for more than 5 years on 16 of the 23 judgment accounts and on the two defalcation accounts. Some of the operating loans were not scheduled for repayment until 1976 and the repayment period could be extended 5 or more years.

FHA, in accordance with applicable statutory authorities, should write off those judgment and defalcation accounts which do not warrant further collection efforts.

FHA should dissolve the joint interests in the operating loans by (1) exchanging the States' and Federal Government's interests in groups of loans with the same value, (2) purchasing the States' interests or selling the Federal Government's interest to the States, or (3) refinancing the loans. These methods should also be used to dissolve the judgment and defalcation accounts which are collectible. (See pp. 9 to 12.)

FHA had not entered into a liquidation agreement with New York to return assets valued at about \$106,000. State legislation authorizing return of the assets was signed by the Governor in June 1972. (See p. 13.)

Although the States own the returned trust assets, FHA is required, by law, to determine whether the States use the assets and related incomes properly. There are no penalties if FHA determines that the States used the assets for unauthorized purposes. FHA's system for making such determinations has not been effective. (See p. 14.)

FHA's responsibilities for the trust assets could continue indefinitely unless actions are taken to complete the return of all assets to the appropriate States and to terminate FHA's control over the States' uses of the assets. The benefits to the Government from FHA's continued participation in the program are limited, and the Government's role in controlling the uses of the returned assets is no longer needed.

RECOMMENDATIONS

The Secretary of Agriculture should have FHA:

- 3, --Give Pennsylvania the required 30-day notice of FHA's intention to terminate the existing trust agreement and have it return the remaining assets to the Pennsylvania Department of Public Welfare. C. 1204

- Determine which of the trust judgment and defalcation accounts do not warrant further collection efforts and write them off.
- Dissolve the joint security interests in operating loans and the judgment and defalcation accounts which are determined to be collectible by (1) exchanging the Federal Government's interest in the assets for States' interests in other assets of equal value, (2) purchasing the States' interests or selling to the States the Federal Government's interest in those assets for which the interests cannot be exchanged, or (3) refinancing, with the borrowers' consent, those loans for which the interests cannot be exchanged, purchased, or sold, by making FHA supplemental loans.
- Seek repeal of the law requiring FHA to determine whether the States are using the returned trust assets and related incomes for authorized purposes. (See p. 18.)

AGENCY ACTIONS AND UNRESOLVED ISSUES

FHA concurred generally with GAO's conclusions and recommendations and initiated actions to implement all but the last recommendation. (See app. II.) On May 31, 1972, a bill was introduced in the House of Representatives which would permit the use of the returned assets, and the incomes therefrom, for purposes as defined and authorized under State laws rather than for purposes agreed on by States and by the Secretary of Agriculture. (See p. 18.)

CHAPTER 1

INTRODUCTION

In 1958 the Farmers Home Administration (FHA) of the Department of Agriculture began a program to return to 42 States assets held and administered for the States under trust agreements. As of June 30, 1971, FHA had returned to 10 States their entire trust assets and had returned to 30 States a part of their trust assets. At that time FHA still held and administered the remaining assets of the 30 States and the entire assets of two States. These assets were valued at about \$5 million. FHA is responsible for approving the States' uses of the returned assets.

Our review was directed principally toward evaluating (1) FHA's efforts to return all trust assets to the States, (2) FHA's problems in returning certain assets to the States, and (3) the need for continued Federal control over the uses of the returned assets.

HISTORY AND FUNDING OF STATE RURAL REHABILITATION CORPORATIONS

Between July 1934 and April 1935, 43 States established rural rehabilitation corporations to receive and administer Federal grant funds for rural relief and loan programs which were designed to combat the effects of the economic depression. In April 1935 the Congress authorized and funded a direct Federal rural rehabilitation program which was administered by the Resettlement Administration. Federal grants were not made to the States for such purposes after April 1935.

To insure continuity in, and coordination of, the Federal and State programs, the State corporations entered into transfer agreements with the Resettlement Administration and transferred their assets to that agency. The Resettlement Administration and its successor agency, the Farm Security Administration, held these assets in trust and administered them until November 1946, when the activities of the Farm Security Administration were transferred to the Farmers Home Administration which was created by the Farmers Home Administration Act of 1946 (7 U.S.C. 1001 note).

DISPOSITION OF ASSETS HELD IN TRUST BY FHA

Section 2(f) of the Farmers Home Administration Act of 1946 directed the Secretary of Agriculture to liquidate the trusts established under the transfer agreements with the State rural rehabilitation corporations. The act, however, did not state whether the trust proceeds, after liquidation, should be paid into the U.S. Treasury or should be returned to the States.

The Rural Rehabilitation Corporation Trust Liquidation Act of 1950 (64 Stat. 98) specified that the trust assets-- then valued at \$43 million--belonged to the States and could be claimed by them within 3 years. The act provided, however, that the States and FHA could enter into trust agreements under which FHA would continue to administer the assets. All 43 States claimed their assets; Oregon's assets were returned pursuant to its request. The other 42 States entered into trust agreements with FHA.

In 1958 FHA announced a program to terminate the trust agreements and to return the assets to the States. From 1958 to December 1961, FHA entered into liquidation agreements with three States providing for full or partial return of their assets. In December 1961, FHA suspended the termination program because, FHA officials told us, FHA wanted to use the trust assets to make farm operating and farm ownership loans. These loans were made pursuant to the Rural Rehabilitation Corporation Trust Liquidation Act.

In August 1969 FHA reactivated its termination program. FHA planned for total liquidation of the trusts within 2 years. The effect of this program would have been to relieve FHA of its trust responsibilities of (1) maintaining separate accounting records for each State's trust assets, (2) preparing various financial reports relating to those trust assets, and (3) servicing certain operating loans.

STATUS OF THE TERMINATION PROGRAM

As of June 30, 1971, FHA had entered into liquidation agreements with 39 of the 42 States.¹ FHA records showed that, as of that date, it had returned to the States \$41 million in assets held in trust and, as shown below, it still held assets valued at about \$5 million.

<u>Assets</u>	<u>Value</u> (<u>000,000 omitted</u>)
Held by FHA in May 1950	\$43
Returned to States upon application	<u>3</u>
Held by FHA in May 1950 under trust agree- ments	40
Accumulated income	<u>6</u>
	46
Returned to States under liquidation agree- ments	<u>41</u>
Held in trust by FHA as of June 30, 1971	\$ <u><u>5</u></u>

FHA's records showed that the assets valued at \$5 million held in trust at June 30, 1971, were owned by 32 States and consisted of:

¹The three remaining States were Illinois, New York, and Pennsylvania. Illinois enacted the necessary legislation, effective January 1, 1972, and the Secretary of Agriculture entered into a liquidation agreement with Illinois on April 21, 1972. The situations with respect to Pennsylvania and New York are discussed on pages 9 and 13, respectively.

	<u>Value</u>
Cash	\$ 759,731
Investments	605,000
Amounts due from former FHA employ- ees (defalcations)	691
Accrued interest receivable	275,829
Loans receivable:	
Operating loans	530,715
Direct farm ownership loans	41,288
Insured farm ownership loans	2,923,138
Credit sales of real property and other receivables	134,086
Mineral interests	9,495
Judgments	<u>32,102</u>
 Total	 5,312,075
 Estimated uncollectibles and other deductions	 <u>-337,776</u>
 Net assets	 <u>\$4,974,299^a</u>

^aSee appendix I for a breakdown of this amount by State.

FHA was taking adequate action to return assets valued at \$4.4 million to the States with which it had liquidation agreements.¹

FHA did not have liquidation agreements with certain of the States, however, and the liquidation agreements that it did have provided for FHA to continue holding in trust the employee defalcation accounts, the operating loans secured by collateral which also secured FHA loans, and the judgments against debtors who were indebted also to the Federal Government. These trust assets and the actions needed to terminate FHA's responsibility for approving the States' uses of the returned assets are discussed in the following chapter.

¹During the 11-month period ended May 31, 1972, FHA returned assets valued at about \$4,319,000 to the States, leaving assets valued at about \$655,000 still to be returned.

CHAPTER 2

ACTIONS NEEDED TO TERMINATE FEDERAL ADMINISTRATION OF THE STATE RURAL REHABILITATION FUNDS PROGRAM

As of June 30, 1971, FHA had returned to the States most of their trust assets and was taking adequate action to return most of the remaining assets. Certain additional actions needed to be taken, however, to (1) complete the return of all assets to the States and (2) terminate FHA's responsibility for exercising control over the uses made of the returned assets. These actions are discussed below.

TRUST ASSETS HELD FOR PENNSYLVANIA

At June 30, 1971, FHA held trust assets valued at \$162,921 for Pennsylvania. Previously FHA had returned assets valued at \$356,151 to the Pennsylvania Department of Public Welfare, the State agency authorized to receive and administer such assets. An FHA official told us that Pennsylvania did not want to accept the remaining trust assets until the Pennsylvania Legislature enacted legislation to transfer the authority to receive and administer such assets from the Pennsylvania Department of Public Welfare to the Pennsylvania Department of Agriculture.

FHA's trust agreement with Pennsylvania provides that either party can terminate the agreement upon a 30-day written notice of such intention. If the Pennsylvania Legislature does not act, termination of the agreement would result in the assets' being returned to the Pennsylvania Department of Public Welfare.

TRUST ASSETS WHICH DO NOT WARRANT FURTHER COLLECTION EFFORTS

FHA records showed that the judgments of \$32,102 at June 30, 1971, represented amounts due from 23 debtors for unpaid loan balances and that the amount of \$691 due from two former employees represented defalcations not covered by bonds. FHA's records showed also that no payments had been made by 16 of the 23 judgment debtors or by either

defalcation debtor in more than 5 years. A time analysis showed:

<u>Time since last payment (note a)</u>	<u>Number of debtors</u>	<u>Amount</u>
Less than 1 year	7	\$11,062
5 to 10 years	5	11,228
Over 10 years	<u>13</u>	<u>10,503</u>
Total	<u>25</u>	<u>\$32,793</u>

^aDate of judgment used in cases where no payments had been made.

The judgments and defalcations also involved amounts due the Federal Government.

FHA, in accordance with applicable statutory authorities, should determine which accounts do not warrant further collection efforts and should write them off as losses. The action needed with respect to the remaining judgment or defalcation accounts is discussed in the following section.

JOINT FHA AND STATE INTEREST IN CERTAIN ASSETS

Under the terms of the liquidation agreements with the States, FHA continues to hold in trust (1) operating loans which are secured by collateral which also secures FHA loans and (2) those defalcation and judgment accounts which involve amounts due both to the States and to the Federal Government.

FHA records showed that such trust assets at June 30, 1971, were as follows.

	<u>Number of accounts</u>	<u>Amount</u>
Jointly secured operating loans (note a)	131	\$344,100
Judgments	23	32,102
Defalcations	<u>2</u>	<u>691</u>
Total	<u>156</u>	<u>\$376,893</u>

^aThe remaining operating loans of \$186,615 (see p. 8) are not secured jointly and are, or would be, eligible to be returned to the States under the liquidation agreements.

Some of the jointly secured operating loans of \$344,100 are not scheduled for repayment before 1976 and, under FHA procedures, the repayment period could be extended 5 years or more. Therefore FHA could remain as trustee of these loans for a long time unless action is taken to dissolve the joint security interest in the loans or to otherwise return the loans to the States.

Dissolution of the joint security interests in the operating loans could be accomplished by several methods, including:

- FHA's use of its authority, under the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1942), to make supplemental loans to the borrowers to pay the trust loans so that cash would be available for return to the States. Exercise of this authority, however, which would require the consent of the borrowers, would result in inequities to most of the borrowers because FHA supplemental loans would be made at interest rates higher than the rates on the trust loans.
- FHA's exchanging with a State the Government's interest in a group of loans for the State's interest in another group of loans having the same value.
- FHA's purchase of a State's interest or the State's purchase of the Government's interest in the loans, at a fair price.

The last two methods--exchange of interests in loans having the same value or purchase of the States' or the Government's interests at a fair price--could be used also to dissolve the joint interests in judgment and defalcation accounts which are determined to warrant further collection efforts.

TRUST ASSETS BELONGING TO NEW YORK

FHA had not entered into a liquidation agreement with New York to return its trust assets. At June 30, 1971, FHA held for New York trust assets valued at \$106,580.

The Rural Rehabilitation Corporation Trust Liquidation Act provides that FHA can return the trust assets to a State if the State has legislation adequate to (1) authorize the return and administration of the States' assets and (2) hold the Secretary of Agriculture free from liability for making the transfer to the designated State official.

The rural rehabilitation corporation that was established in New York in the 1930s was dissolved, and the legislature designated the State Commissioner of Agriculture and Markets to enter into agreements under which FHA would continue to administer assets belonging to New York. The commissioner was not empowered, under the State laws, however, to accept and administer the assets which FHA wanted to return.

Legislation permitting the State Commissioner of Agriculture and Markets to accept and administer the State's assets was signed by the Governor in June 1972.

FEDERAL RESPONSIBILITY FOR CONTROLLING
STATES' USE OF RETURNED ASSETS

Although the States own the returned trust assets, the Rural Rehabilitation Corporation Trust Liquidation Act requires FHA to determine whether the States use the assets, and the incomes therefrom, for authorized purposes. The act does not provide any penalties if FHA determines that the States used these assets for unauthorized purposes.

Section 2(c) of the act provides that returned assets, and the incomes therefrom, be used only for rural rehabilitation purposes as may from time to time be agreed to by the Secretary of Agriculture and the corporation or State agency administering the returned assets.

The intent of the Congress in providing the Secretary of Agriculture with control over uses which could be made of returned assets was explained in the House Committee on Agriculture's report on the act (H. Rept. 1003, July 8, 1949). The report stated that section 2(c) of the act was designed to prevent duplication of FHA activities by the States and to insure that funds would be used for purposes which would supplement the Federal programs in rural areas. The legislative history indicated also that FHA was expected to have a small staff to maintain a system for determining that the intended purposes were being carried out.

In 1950, when the Rural Rehabilitation Corporation Trust Liquidation Act was enacted, FHA held for the States trust assets valued at \$43 million. This amount was equivalent to 23 percent of FHA's loan activity of \$185 million in fiscal year 1950. Hence a potential for a measurable degree of duplication of FHA's rural lending programs existed at that time.

FHA's annual loan activity, however, has grown rapidly since 1950; in fiscal year 1971 it amounted to about \$2.4 billion. The value of rural rehabilitation assets represented only 2 percent of FHA's loan activity in fiscal year 1971.

System for controlling assets
returned to the States

Although FHA requires each State agency or corporation administering rural rehabilitation assets to submit (1) financial statements on its activities each year and (2) a statement signed by a responsible official that the assets have not been used for purposes other than those agreed to by FHA, FHA's system for determining that assets returned to the States are being used for authorized purposes has not been effective.

We visited the State agencies or corporations responsible for the administration of assets returned to Arkansas, New Mexico, and Nebraska, to review these States' rural rehabilitation programs. As of June 30, 1971, FHA had returned trust assets valued at \$4 million to these States. We discussed with State or corporation officials the controls exercised over the uses made of these rural rehabilitation assets. In two of these States the controls were not effective in insuring that assets were being used for aid to residents of rural areas.

Arkansas

The Arkansas Rural Endowment Fund, Inc. (AREF), was formed on January 2, 1959, to receive and use the returned trust assets of the Arkansas Rural Rehabilitation Corporation and to carry out a program of encouragement, development, education, and experimentation designed to foster the improvement of rural conditions in Arkansas and to advance and better the education, agriculture, and opportunities of people residing in rural areas of the State.

FHA approved the following uses of AREF assets.

1. Making loans to selected individuals residing in rural areas, to assist in furthering their education.
2. Conducting research activities to determine factors that make for successful rural living and cooperating with any governmental agency engaged in such activities.

3. Purchasing loans which are, or which will be, insured under title I of the Bankhead-Jones Farm Tenant Act and under the Water Facilities Act.¹

Our inquiries revealed that AREF had used its funds primarily for purchasing FHA-insured loans and for making education loans. The AREF general manager told us that AREF did not restrict its loans to residents of rural areas.

During the year ended June 30, 1971, AREF made initial education loans totaling \$517,500 to 663 borrowers. AREF furnished loan application data which showed the following distribution of loans to rural and nonrural residents in five selected Arkansas counties.

	Number of <u>loans</u>	<u>Amount</u>
Rural residents	25	\$14,650
Nonrural residents (note a)	<u>60</u>	<u>32,700</u>
Total	<u>85</u>	<u>\$47,350</u>

^aResidents of cities with populations ranging from 24,750 to 142,500

Although the agreement with FHA provided that such loans be made to residents of rural areas, the AREF general manager told us that he believed that loans to residents of urban areas were justified because of the general population shift from rural to urban areas in Arkansas. AREF submitted the required financial statements as of June 30, 1970, to FHA but did not submit a signed statement that the assets had not been used for purposes other than those agreed to by FHA.

¹Title I of the Bankhead-Jones Farm Tenant Act authorizes farm ownership loans to eligible persons. The Water Facilities Act authorizes loans to eligible persons for water development uses and conservation, including recreational uses and facilities.

New Mexico

The New Mexico Rural Rehabilitation Corporation was formed February 1, 1935. The corporation's objective was to provide financial assistance, in the form of loans, to individuals so that they might attain more secure and satisfying stations in life and, at the same time, make maximum contributions to the development and general life of the community and the State in which they lived.

The corporation began a student loan program in September 1970 and by May 7, 1971, had made 160 student loans totaling about \$159,000.

FHA's files did not show whether the corporation had requested formal approval before September 1970 for use of the returned trust assets for student loans or whether FHA had approved such use of the assets. This loan program, however, is similar to loan programs which FHA has approved for other States and is permissible under the corporation's charter. FHA and the corporation were seeking agreement on the use of the assets for education loans at the time of our review.

The corporation's executive secretary told us that the corporation did not restrict its student loans to residents of rural areas. The corporation's loan files did not contain data showing whether the students receiving the loans were rural residents. For 80 loans, however, the students had listed Albuquerque, N. Mex.--a city with a population of 243,750--as their permanent residence.

CONCLUSIONS

FHA has made substantial progress in returning the trust assets to the States, but its responsibilities for the program could continue indefinitely unless certain actions are taken to complete the return of all assets to the States and to terminate FHA's responsibility for exercising control over the States' uses of the assets. The benefits to the Government from FHA's continued participation in the program are limited and the Government's role in controlling the uses of the returned assets is no longer needed.

RECOMMENDATIONS TO THE
SECRETARY OF AGRICULTURE

We recommend that FHA:

- Give Pennsylvania the required 30-day notice of FHA's intention to terminate the existing trust agreement and return the remaining assets to the Pennsylvania Department of Public Welfare.
- Determine which of the trust judgment and defalcation accounts do not warrant further collection efforts and write them off.
- Dissolve the joint security interests in operating loans and the judgment and defalcation accounts which are determined to be collectible by (1) exchanging the Federal Government's interest in the assets for the States' interests in other assets of equal value, (2) purchasing the States' interests or selling to the States the Federal Government's interest in those assets for which the interests cannot be exchanged, or (3) refinancing, with the borrowers' consent, those loans for which the interests cannot be exchanged, purchased, or sold, by making FHA supplemental loans.
- Seek repeal of section 2(c) of the Rural Rehabilitation Corporation Trust Liquidation Act which requires FHA to determine whether the States are using the returned trust assets, and the incomes therefrom, for authorized purposes.

AGENCY ACTIONS

In a letter dated April 24, 1972 (see app. II), FHA stated that it concurred generally in our conclusions and recommendations. FHA stated also that (1) actions had been initiated which substantially complied with our first four recommendations, (2) legislation to repeal section 2(c) of the Rural Rehabilitation Corporation Trust Liquidation Act was under consideration by the Department of Agriculture, and (3) the actions would be completed as expeditiously as possible.

On May 31, 1972, House bill 15258--a bill to further reduce Federal control of assets of rural rehabilitation corporations--was introduced in the House of Representatives. The bill would change the language of section 2(c) of the act to permit the use of the returned assets, and the incomes therefrom, for purposes as defined and authorized under State laws rather than for purposes agreed on by the corporations or State agencies and by the Secretary of Agriculture.

CHAPTER 3

SCOPE OF REVIEW

Our review included an examination of applicable legislation and FHA's policies, procedures, and accounting records pertaining to the State rural rehabilitation funds program. We also examined program reports and financial statements which the States submitted to FHA.

Our review was made at FHA's headquarters office in Washington, D.C.; the FHA Finance Office in St. Louis, Missouri; and eight FHA county offices in Iowa and New Mexico. We interviewed officials of FHA and of State rural rehabilitation corporations or State agencies responsible for administration of rural rehabilitation assets in Arkansas, Iowa, Nebraska, New Mexico, and Texas.



Copies of this report are available from the U. S. General Accounting Office, Room 6417, 441 G Street, N W., Washington, D.C., 20548.

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