Recurring Questions Submitted by Chairwoman DeLauro

Grain Inspection, Packers and Stockyards Administration

Dealer/order buyer financial failures

Ms. DeLauro: Please update the table that appears in last year's hearing record showing dealer/order buyer financial failures to include fiscal year 2008. Provide the Committee with an explanation as to why the recovery rates have dropped drastically since 2000. Last year’s hearing record indicates that GIPSA is exploring potential solutions to the historically low recovery rates. Please update the Committee on these efforts. Please provide the Committee with an explanation for the significant increase in the number of dealer failures since fiscal year 2005.

Response: The information is submitted for the record.

[The information follows:]

Dealer Financial Failures and Restitution, 1999-2008

Fiscal Year	No. of Dealer Failures	Total Owed Livestock	Recovery From Bonds	Recovery From Other Sources	Percent Total Recovery
1998	10	$685,726	$133,345	$61,435	28
1999	10	$1,684,128	$291,261	$38,024	20
2000	11	$1,464,733	$324,979	$91,800	28
2001	11	$2,841,305	$317,444	$24,786	12
2002	11	$3,271,962	$618,764	$60,000	21
2003	5	$1,805,600	$112,281	$28,923	8
2004	3	$770,860	$95,000	0	12
2005	1	$2,993,990	0	0	0
2006	13	$3,018,131	$134,936	$26,856	5
2007	31	$6,941,930	$257,634	$549,303	12
2008	20	$2,054,647	$843,682	$301,916	55

The number of dealer financial failures in 2006 at 13 was not statistically different from the 10-year average of 10 failures per year. The increased number of failures in 2007, however, was a significant difference, and then 2008 failures moved towards the historical norm. The reported values are not adjusted for inflation and inflation levels in the past are acting to increase more recent year dollar values but not actual failures. In 2005, GIPSA started a statistical analysis of dealer failure rates based on their annual report data. The analysis has indicated characteristics that place firms at risk of failure; however, the analysis does not provide strong predictions about any given firm’s chance of failure. This is because in a given year total failures are a small fraction of the total failures (2 percent in 2006) and also a large percentage of dealers share the same at-risk factors. The analysis does not take into account external economic factors that may raise or lower all firms’ risk of failure. External factors such as limits on credit access and demand contraction that were experienced in the first quarter of fiscal year 2009 are playing a major factor in firm failures. The dealer failure rates and bond claims rates experienced in the first quarter of FY 2009, if extended into the remainder of the year will mark FY 2009 as having the largest number of failures and bond claims of the last 10 years.

Four firm concentration ratio

Ms. DeLauro: Update last year's table showing the four firm concentration ratio for steer and heifer slaughter, boxed beef, sheep and lamb slaughter, and hog slaughter to include data for 2006 and 2007.

Response: The information is submitted for the record.

[The information follows:] Data are not yet available for 2008.

Four-Firm Concentration as Percent Market Share of Livestock Slaughter by Type of Livestock, 1996-2006*

Year	Steers & Heifers	Boxed Beef	Sheep & Lambs	Hogs
1996	79	82	73	55
1997	80	83	65	54
1998	80	84	68	56
1999	81	84	68	56
2000	81	85	67	56
2001	80	84	66	57
2002	79	83	65	55
2003	80	84	65	64
2004	79	82	65	64
2005	80	83	70	64
2006	81	84	68	61
2007	80	80	70	65

* Figures are based on calendar year Federally inspected slaughter except for boxed beef, which are based on firms' fiscal years as reported to GIPSA in annual reports. Boxed beef data is on a delayed reporting cycle.

Auction market failures

Ms. DeLauro: Please update the table that appears in last year's hearing record showing the number of auction market failures, the amount owed for livestock each year, and the amount recovered from bonds and other sources during each year to include fiscal year 2008. How was GIPSA able to improve the recovery rate in FY 2007?

Response: The information is submitted for the record.

[The information follows:]

Total Auction Market Financial Failures and Restitution, 1998-2008

Fiscal Year	No. of Auction Market Failures	Total Owed Consignors	Recovery From Bonds	Recovery From Other Sources	Percent Total Recovery
1998	2	$225,001	$66,131	0	29
1999	3	$862,666	$60,000	$424,589	56
2000	4	$399,023	$100,193	$186,113	71
2001	4	$1,104,985	$133,745	$519,265	59
2002	6	$1,082,034	$378,610	0	35
2003	6	$1,187,979	$211,464	$138,848	30
2004	2	$145,772	$60,000	$16,649	53
2005	3	$336,006	$85,000	$201,840	78
2006	9	$979,543	$267,174	$19,380	29
2007	11	$511,704	$37,252	$155,890	38
2008	6	$602,100	$237,734	$352,111	98

The variability in between-year recovery rates makes it difficult to correlate new enforcement practices with a single year recovery rate change. Despite this GIPSA has initiated a larger overall emphasis on expanding its field presence. This is particularly important for livestock markets and more so when markets start displaying symptoms of financial difficulty, such as delayed payments to sellers or writing check with insufficient funds to sellers. At the onset of complaints of financial difficulty by livestock sellers to GIPSA regarding a market, our auditors travel within two days of the complaint to the market. At the market our auditors assess the extent of the problem and any needed intervention. This on-site presence is credited with limiting the magnitude of the financial damage and ensuring that other livestock seller protections such as the custodial account are not illegitimately dissipated. Protecting all seller compensation funds is critical so that if a failure occurs compensation funds are not limited to the bond. A rapid response in getting on site is the best method to ensure that protection.

Livestock from captive supplies and/or forward contracts

Ms. DeLauro: Update the table that appears in last year's hearing record showing what percentage of the livestock that is slaughtered annually comes from captive supplies and/or forward contracts to include the most recent fiscal year data available.

Response: The information is submitted for the record.

[The information follows:]

Top Four (Five *) Packers’ Packer-fed Cattle and Acquisition by Forward Contracts and Marketing Agreements as a Percentage of Total Steer and Heifer Slaughter, 1995-2006.

Year	Packer Fed Cattle	Cattle From Forward Contracts And Marketing Agreements	Total
1995	3.2	18.1	21.3
1996	3.4	19.2	22.5
1997	3.8	16.2	20.1
1998	3.5	18.9	22.4
1999	8.4	24.0	32.4
2000	9.1	29.1	38.2
2001	10.9	32.0	43.0
2002	9.6	34.8	44.4
2003	10.4	28.0	38.4
2004	8.3	26.8	35.1
2005	6.4	29.2	35.6
2006	7.6	33.0	40.6
2007	8.2	35.5	43.7

* Starting in 2006 GIPSA expanded its procurement audits to the top five fed cattle slaughters, and audited summary data are not yet available for 2006.

Companies subject to the Packers and Stockyards Act ("PSA")

Ms. DeLauro: Please update the table that appears in last year's hearing record showing the number of slaughtering and processing packers subject to the PSA to include fiscal year 2007.

Response: Data on the number of non-slaughtering processing plants are no longer made available by the Food Safety and Inspection Service. The number of slaughter firms and plants are provided below.

The information is submitted for the record.

[The information follows:]

Number of Slaughterers Subject to the P&S Act, 1998-2008

Year	Bonded Slaughter Firms	Non-Bonded Slaughter Plants*
1998	399	513
1999	386	491
2000	359	503
2001	338	522
2002	335	494
2003	338	481
2004	314	485
2005	312	453
2006	304	441
2007	296	446
2008	281	NA

* Number of Federally Inspected (FI) slaughter plants minus the number operated by reporting packers. This is an estimate of the number of non-bonded slaughter firms (operating FI plants) that are not required to be bonded because they purchase less than $500,000 of livestock per year (includes slaughtering plants that also do processing but excludes non-FI plants).
NA – data on number of non-bonded slaughter plants are not yet available.

Compliance audits

Ms. DeLauro: Update the table that appears in last year's hearing record showing the number of compliance audits conducted on custodial accounts, the number of markets with shortages, the total dollars involved, and the amount restored to include fiscal year 2007.

Response: The information is submitted for the record.

[The information follows:]

Number of Market Audits, Shortages Found, and Amounts Restored, 1998-2008

Fiscal Year	Market Audits	Markets with Shortages	Total Shortage Corrections	Corrected by On-Site Investigation
1998	393	187	$5,705,252	$3,690,355
1999	233	103	$4,294,368	$2,701,091
2000	374	154	$9,161,520	$5,916,746
2001	322	156	$8,966,218	$6,313,383
2002	206	97	$6,906,986	$2,814,439
2003	262	92	$4,984,315	$2,055,203
2004	272	94	$4,646,031	$2,144,986
2005	252	102	$6,712,420	$5,269,525
2006	347	140	$9,242,692	$7,256,052
2007	296	99	$6,252,181	$2,037,080
2008	176	62	$6,680,097	$5,022,966

Spending on competition, fair trade practices, and financial protection

Ms. DeLauro: Please provide a table showing the amount of funds spent on competition, fair trade practices, and financial protection to include fiscal years 2000 through the projected level for fiscal year 2009.

Response: The information is submitted for the record.

Total Regulatory and Investigation Expenditures, 2000-2008

Fiscal Year	Regulatory Activity*	Investigations		
		Competition	Trade Practices	Financial
		(Dollars in thousands)		
2000	N/A	2,986	3,583	4,628
2001	N/A	3,431	4,117	5,318
2002	N/A	3,575	4,290	5,541
2003	N/A	3,755	4,506	5,820
2004	N/A	3,905	4,686	6,053
2005	N/A	4,050	4,860	6,277
2006	6,705	1,775	2,640	3,869
2007	7,142	1,488	4,259	3,419
2008	3,664	330	6,220	6,238
2009(est)	4,000	500	5,500	6,500

* N/A - Not available. Prior to fiscal year 2006, regulatory activities

and investigations were not differentiated.

Economic and statistical analysis

Ms. DeLauro: Are there any legal actions pending that require economic and statistical analysis by the agency? If so, how many? Please summarize them for the record.

Response: As of March 2009, there are 12 competition investigations currently in progress. There are also a total of 5 open regulatory actions involving competition-related questions. Both the competition investigations and regulatory action are expected to require some degree of economic and statistical analysis.

Of the 5 open regulatory actions, 3 examine anomalies in publicly reported livestock prices as part of our ongoing monitoring of fed cattle and hog markets, and 2 were related to livestock procurement audits and pricing practices. Of the 12 open investigations, 8 involved restriction of competition issues, 1 is looking at pricing issues, 1 at poultry contract issues, and 2 deal with industry structure.

Dealer failures

Ms. DeLauro: How much of the amount of unrecovered losses in the livestock marketing chain was from dealer failures during fiscal year 2007? Please update the five-year table showing the total unrecovered losses from dealer failures compared to the total owed sellers of livestock at the time of failure to include fiscal year 2007.

Response: The amount of unrecovered losses in the livestock marketing chain was from dealer failures during fiscal year 2007 was $6,134,993.

The five-year table is submitted for the record.

[The information follows:]

Total Dealer Financial Failures and Restitution, 2002-2008

Fiscal Year	Total Owed Livestock Losses Sellers	Unrecovered Losses	Total Percent Unrecovered
2002	$3,271,962	$2,593,198	79
2003	$1,805,600	$1,654,396	92
2004	$770,860	$675,860	88
2005	$2,993,990	$2,993,990	100
2006	$3,018,131	$2,856,339	95
2007	$6,941,930	$6,134,993	88
2008	$2,054,647	$909,049	45

Rapid response

Ms. DeLauro: How much is GIPSA currently spending on rapid response teams? How much is planned for FY 2009? Please describe what the rapid response teams do. How many GIPSA staff years were used for rapid response in fiscal year 2007 and how many are estimated for rapid response in fiscal year 2008?

Response: Rapid response investigations are initiated when there is a strong potential for immediate and irreparable financial harm to livestock sellers from the actions of a livestock dealer, market, or packer. Most often, but not always, GIPSA is alerted to situations warranting rapid response investigations when a livestock buyer fails to meet prompt payment requirements to multiple sellers. Bank checks with insufficient funds along with shortages in custodial accounts maintained for livestock seller proceeds tend to be leading indicators of a firm’s financial failure. Rapid intervention in securing firm assets on behalf of livestock sellers frequently is the best action to ensure their payment when a firm fails. In fiscal year 2007, GIPSA spent approximately $1 million on rapid response investigations. Projecting FY 2008 expenditures is complicated by ongoing economic conditions relative to increased operating loan costs and the effect this may have on firm economic health. Regardless, GIPSA expects to spend no less than in FY 2007.

In fiscal year 2007, GIPSA initiated 18 rapid response investigations and 13 in fiscal year 2008 to date. A typical rapid response investigation takes 2 auditors approximately 1-2 weeks of on-premise audit work and an additional 4 weeks of GIPSA office activity reconciling firm accounts, validating livestock seller claims, and preparing a case file. These activities may extend over 9 months while waiting for responses from the industry. In each of the fiscal years approximately 5 staff years were dedicated to rapid response investigations.

Audit of four largest beef meatpackers

Ms. DeLauro: In requesting funds in FY 2004 for an audit of the four largest beef meatpackers, GIPSA said it had never audited a large packer. Please state the activities conducted in FY 2008 related to auditing large packers.

Response: GIPSA conducts various compliance reviews and investigations of the largest packers on a regular basis. These activities include audits of payment and procurement practices to ensure livestock sellers are receiving payment timely and according to transaction terms, review of annual reports to ensure meatpackers are solvent, and inspections of scales and carcass evaluation devices to determine whether producers are being paid the proper amount for the livestock they sell. The most common type audits are financial audits such as solvency, custodial accounts, and prompt pay audits to document the ability of a firm to meet obligations of livestock sellers. The largest beef meatpackers undergo regular audits by internal auditors and large public accounting firms. GIPSA reviews and relies on the information contained in these audit reports in conjunction with the annual reports required to be filed with GIPSA to evaluate the packers' compliance.

A. Have you requested funding for this pilot program since FY 2004 and if not, why not?

   Response: We have asked for additional funding to increase field staff including Resident Auditors and Resident Agents. This enhanced staffing level would provide additional audit capabilities that could be utilized as the need to audit a large entity arises.

B. Have you spent any funding for this initiative through other funds available to GIPSA or USDA?

   Response: Yes, GIPSA conducts various compliance reviews and investigations of the largest packers on a regular basis. The funding source is derived through the regularly appropriated GIPSA funds.

C. Should we consider funding this in 2010?

   Response: In the first quarter of 2009 GIPSA has had to respond to an unprecedented number of firm failures, which have included bankruptcy proceedings for the largest poultry slaughterer and largest Kosher slaughterer in the U.S. Additional funding will support hiring new auditors to increase the frequency and depth of financial audits of packers, livestock markets, and dealers to achieve greater compliance with the P&S Act. Additional audit staff would allow for prompt and thorough audits of any large packer should the need arise and allow the Agency to significantly increase routine financial audits – solvency, custodial accounts, and prompt pay – of all regulated entities including packers.

D. What have you done in the absence of funding to ensure the information is correct and the packers are in compliance with the law?

Response: Financial audits are carried out in accordance with general accounting standards and supervised by staff with certified public accounting status. Business practice inspections are conducted based on standards established by the National Institute of Standards and Technology and supervised by staff trained in inspection procedures.

A special focus on large packers is P&SP's monitoring of the use of "committed procurement" arrangements used by the largest packers. Committed procurement arrangements commit cattle to a packer more than 14 days prior to delivery. Each year, P&SP economists obtain fed cattle procurement data for the previous calendar year from the five largest beef packers. P&SP economists review the contracts and, if necessary, discuss them with the packers to determine how the terms of the agreements relate to committed procurement categories of interest. Economists then classify, review, and tabulate the individual transactions data, and calculate the reliance of the top packers on committed procurement methods for fed cattle. Finally, P&SP economists reconcile the calculations based on the detailed transaction data with committed procurement reported on the Packer Annual Reports of the five largest packers. If there are significant differences between the transaction data and the Packer Annual Report submissions on committed procurement, the economists contact the packers to identify the cause of the discrepancy.

Another focus on large firms was the recent Cow and Bull Monitoring Program. This proactive monitoring program was conducted by P&SP during 2005-2008. P&SP reviewed 15 packers that slaughtered more than 100,000 cows and bulls annually, accounting for more than 80 percent of the federally inspected cows and bulls each year Specifically, procurement and sales patterns were reviewed to identify potential violations of the Act and accumulate information that could be useful for subsequent investigations. P&SP was able to (1) define the cow and bull markets, and (2) monitor the cow and bull markets for violations of the P&S Act. When P&SP found evidence of a specific violation through the monitoring program, a detailed investigative workplan was developed and executed. The Cow and Bull Monitoring Program resulted in the discovery of two potential competition violations that P&SP investigated.

Livestock complaints

Ms. DeLauro: Update the table that appears in last year's hearing record showing the number of complaints, the number of related investigations, and the number of related actions taken to address findings. Please include fiscal year 2007 actuals and fiscal year 2008 estimates. Add an explanation as to what action GIPSA takes in response to a violation.

Response: This information is submitted for the record.

[The information follows:]

Number of Complaints and Investigations, 1998 – 2008*.

Fiscal Year	Number of Complaints*	Number of Investigations
1998	1,684	NA
1999	1,372	NA
2000	1,898	NA
2001	1,619	371
2002	1,600	380
2003	1,744	393
2004	1,923	161
2005	2,315	267
2006	310	288
2007	271	271
2008	230	230
2009(est)	250	250

The complainant may be a producer, anonymous caller, third party, or feedlot operator who may not be a producer. The 2005 and prior figures are based on the method of calculation used by GIPSA prior to changes made in response to the recommendations received from the USDA OIG report, and include regulatory monitoring actions and investigations initiated by GIPSA as a result of regulatory monitoring. Figures for 2006 through 2008 are actual complaints to GIPSA from outside parties.

Several enforcement actions are available to GIPSA in the event it finds a regulated entity in violation of the Packers and Stockyards Act (P&S Act), including notices of violation, stipulation agreements, and administrative or civil actions. Administrative and civil actions may be decided by a judge who issues a formal decision and order, or may be settled with a consent decision agreed to by both parties. In each of these instances the entity against whom a complaint has been filed is ordered to cease and desist from engaging in a specific unlawful activity and may be assessed a civil penalty or have their registration under the P&S Act suspended. Only dealers and market agencies are currently subject to suspensions under the P&S Act.

A stipulation agreement was a new enforcement tool available to GIPSA in fiscal year (FY) 2007. In April 2007, GIPSA published changes to the Rules of Practice Governing Proceedings under the Packers and Stockyards Act (9 CFR 202) to allow the agency to resolve violation cases more timely. These procedures allow GIPSA to offer to settle a violation case with the respondent by means of an agreement whereby the respondent waives his or her right to a hearing and pays a civil penalty.

Violation report calls

Ms. DeLauro: How many violation report calls did you receive in fiscal year 2007? How many were investigated? What is the nature of violations reported? Please describe GIPSA's actions to address these violations.

Response: GIPSA maintains a hotline telephone number for receiving complaints from the public. During fiscal year 2007, FGIS received 14 hotline complaints. Two of the fourteen hotline complaints received were investigated by GIPSA. The nature of violations reported and actions taken was:

- Complainant alleged that an official agency was providing answers to prospective samplers and technicians when giving test. FGIS opened an investigation on this complaint.
- Complainant reported buying sunflower seeds to feed birds that contained an increasing amount of foreign materials. FGIS contacted the individual to advise that official inspection of domestic grain was voluntary; furthermore, that he may want to express his concerns with the manufacturer or a consumer protection group.
- Complainant reported purchasing a box of Oat Bran Cereal manufactured by Hodgson Mills, and felt it contained too much oat hull in the product. It was impossible to contact the caller because they did not leave any contact information.
- Complainant expressed they had hundreds of violations to report, but was hesitant to provide a name due to a secrecy agreement between them and the company they worked for; however, they provided an email address. FGIS contacted the caller via email to provide contact information and to inform the caller they could remain anonymous if desired. FGIS opened an investigation on this complaint.
- Complainant alleged that they had not yet received a payment from an individual whom purchased goats from them. This complaint was forwarded to GIPSA's Packers & Stockyards Program.
- Complainant left 5 messages alleging a grocery store in Georgia that was selling products (meat and cookies) that were infested with maggots and leeches. The caller did not leave any contact information; therefore, it was impossible for FGIS to contact the caller.
- Complainant alleged that a grain processing plant with its own waster water plant was introducing the sludge from the waste water into the distillers grains produced at the plant. FGIS contacted the caller for additional information and determined his concerns would be properly addressed by the Food and Drug Administration, to which FGIS forwarded the complaint.
- Complainant alleged a company was smuggling seed and forging government seed analysis documents. After contacting the caller to gather additional information, it was determined that the alleged violations did not fall under USGSA or AMA. The information was forwarded to the California Department of Food and Agriculture and the USDA Agricultural Marketing Service.
- Complainant reported that a company was weighing their own outbound trucks of chicken feed and questioned if this was a legal practice under the P & S Act. This complaint was forwarded to GIPSA's Packers & Stockyards Program.
- Complainant requested guidance about meeting Packers & Stockyards Act

requirements to start up a business. This complaint was forwarded to GIPSA’s Packers & Stockyards Program

- In 2008, P&SP received 46 complaints via Hotline. The nature of P&S-related calls included allegations of: failure to pay for livestock or remit seller funds; bonding activities; poultry contract issues; unfair and deceptive business practices; inadequate or false records; and weighing matters. Informal compliance was obtained in 6 cases. No violations were found in 17 of these 46 instances, 1 Notice of Violation was issues, and 6 others were found to deal with circumstances outside of the jurisdiction of the Agency. Twelve of the investigations are still pending final resolution. The remainder were resolved informally by agreement among the parties involved, or withdrawn due to a lack of interest in pursuing the issue on the part of the complaining party.

Poultry complaints

Ms. DeLauro: Please update the table that appears in last year's hearing record showing the number of poultry compliance complaints received in fiscal years 1996 through 2007 and the number of related investigations.

Response: The information is submitted for the record.

[The information follows:]

Number of Poultry Complaints and Investigations, 1996-2008.

Fiscal Year	Number of Complaints	Number of Investigations
1996	86	NA
1997	66	NA
1998	82	NA
1999	113	NA
2000	97	NA
2001	125	NA
2002	53	NA
2003	62	NA
2004	52	203
2005	36	53
2006	49	49
2007	45	45
2008	35	35

Poultry complaints

Ms. DeLauro: What was the nature of the poultry complaints received in the most recent year? How many investigations were done in the most recent year? What were the results of these investigations?

Response: The information on number of complaints is submitted for the record. All poultry complaints in 2008 led to an investigation.

Number of Poultry Complaints and Investigations, 2008

Nature of Complaint	Number
Contract Poultry Arrangements	15
Failure to Pay	2
Other	2
Unfair/Deceptive Practices	12
Weighing Practices	4
Total	35

The 35 complaints have resulted in 3 violations, 13 non-violations, 6 informal settlements or otherwise withdrawn by complainant, 2 case outside the Agency’s purview, and 11 open investigations.

Anti-competitive behavior

Ms. DeLauro: How much did GIPSA spend in fiscal year 2007 to identify anti-competitive behavior? Are any funds currently being targeted to identify anti-competitive behavior and to examine competitive implications of contract livestock production for fiscal year 2008 and 2009? If so, how much?

Response: GIPSA spent approximately $330,000 on investigations of potential anti-competitive behavior in fiscal year 2008. GIPSA employs economists and legal specialists in each regional office to focus on competition concerns. In fiscal year 2008 economists engaged in a variety of regulatory and investigative enforcement actions. This included providing information to the Commodity and Futures Trading Commission and the Department of Justice in joint surveillance of livestock market competition and merger analysis responsibilities and conducting complex investigations of potential anti-competitive behavior in the marketplace. The regulatory activities along with routine competition monitoring, because a violation of the P&S Act has not been alleged are not included as investigative expenditures. GIPSA does not have targeted specific funds for any type of investigative category beyond the salary costs related to staff estimated for dedicated positions.

OIG audit report

Ms. DeLauro: Please update the response from last year regarding the OIG audit report on the Packers and Stockyards Programs in December 2005. The response in last year's hearing record indicated that OIG would initiate a follow-up review in early 2008. Has this review been initiated and what is its status?

Response:

In April 2005, OIG initiated an audit of P&SP's management and oversight. OIG issued its report (30601-01-Hy—Grain Inspection, Packers and Stockyards Administration's Management and Oversight of the Packers and Stockyards Programs) on January 10, 2006. The report cited 4 major findings and provided 10 recommendations. P&SP concurred with the findings and recommendations, and during fiscal years 2006 and 2007 significantly improved management controls and strengthened program policy and delivery. On March 16, 2007, USDA's Office of the Chief Financial Officer (OCFO) notified P&SP that all of the planned corrective actions were completed and that no further reporting to OCFO on P&SP's response to the audit was necessary.

In early 2008, P&SP requested that OIG conduct a follow up audit to obtain an independent assessment of the progress in improving the efficacy and efficiency of P&SP. OIG began conducting field and headquarters reviews in May 2008; as of February 2009, P&SP is awaiting the results of the audit.

Grain facilities

Ms. DeLauro: Update the table that appears in last year's hearing record showing the number of persons or companies who registered under current statutes, and the number of grain facilities involved in export activities to include 2007.

Response: The information is submitted for the record.

[The information follows:]

Year	No. of Registrants	Total Export Facilities*
1998	86	62
1999	78	56
2000	79	57
2001	78	57
2002	87	56
2003	91	53
2004	103	54
2005	99	54
2006	123	54
2007	122	53
2008	149	47
2009**	105	47

* Includes only the elevators located at export port locations in the United States that export grain in waterborne carriers.

**As of February 18, 2009