



United States
Department of
Agriculture

Office of the
Secretary

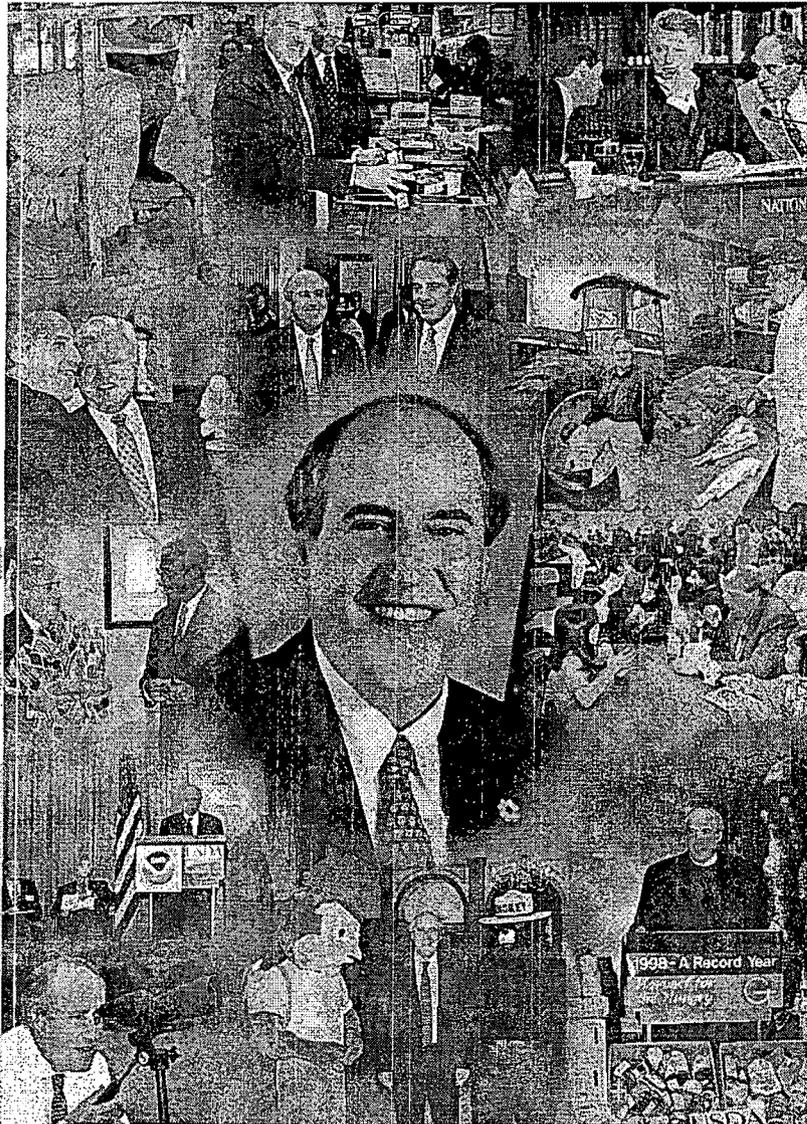
December 2000

History of the U.S. Department of Agriculture 1993-2000

Weekly Reports from the
Secretary of Agriculture
to the White House

March 16, 1997-December 31, 1997

Needed Opening this March 1997



January

through

March

March 16, 1997

MEMORANDUM FOR THE PRESIDENT

Through: The Honorable Erskine Bowles
From: Secretary Dan Glickman
Subject: Report for Week of March 16, 1997

USDA FACT OF THE WEEK

U.S. orange growers will harvest a record crop this year on the strength of a record Florida crop and the largest California orange crop in more than a decade, leading to record high orange juice supplies domestically and record juice exports.

I. KEY DEPARTMENT NEWS

- **Secretary Unveils Food Safety Advance:** Secretary Glickman announced March 19 in a speech at the National Press Club, a new product created by USDA researchers that significantly reduces potential salmonella contamination in chickens.

In field tests involving 80,000 chickens, the product, called PREEMPT, reduced salmonella from about seven percent in untreated chickens, to zero percent in the treated. The Food and Drug Administration this week approved PREEMPT, marking the first time the FDA has approved a mixture of bacteria as a type of animal drug known as a "competitive exclusion product." The new product preempts the growth of salmonella in chickens' intestines by introducing a blend of 29 live, non-harmful bacteria naturally present in healthy adult chickens.

It has long been known that mature chickens at least three weeks old have a natural resistance to salmonella colonization in the intestines. Scientists have also known that administering baby chicks the bacteria from mature chickens protected the chicks from salmonella. But scientists did not know exactly which of the intestinal bacteria were most effective. The newly developed mixture can be sprayed in a mist over newly hatched chicks to give them the same level of salmonella resistance that develops in an older bird.

The balance of the Secretary's remarks amplified the President's food safety initiative.

- **Secretary tours Disaster Areas:** On March 13, Secretary Glickman, toured flooded farmland in Athens and Macon Counties, Georgia. During the tour, the Secretary also viewed crops damaged by freezing temperatures, which have threatened the \$30 million a year peach and onion crops.

Farmers in the 38 counties covered by the March 11 Presidential disaster declaration may qualify for FSA emergency loan assistance; others may be eligible for crop insurance and non-insured crop disaster assistance. USDA anticipates a large number of requests for Emergency Conservation Program funds to aid in rebuilding riparian buffers, terraces, and eroded fields.

- **EU approves Veterinary Agreement:** On March 16, the EU Agriculture Council voted unanimously to approve the U.S.-EU Veterinary Equivalency Agreement. An April 1997 exchange of letters signed by Secretary Glickman and EU Commissioner Fischler committed to an October 1997 implementation date. However, the EU has been unable to fulfil this commitment until now because of internal procedural difficulties and member state concerns about the U.S. commitment to regionalization. The Council imposed one condition: the Commission cannot sign and implement the Agreement until USDA publishes a new proposed rule (likely to take 2-3 months) on EU animal disease status that is consistent with a recent clarifying letter from the Secretary.
- **USDA Responds to Asian Financial Crisis:** On March 17, USDA made operational an additional \$325 million in credit guarantees under the GSM-102 program for Korea. The operational increases are: \$190 million for feed grains, \$70 million for cotton, and \$65 million for wheat. This makes \$1 billion of the \$1.1 billion authorization operational. One hundred million remains in an unallocated reserve. To date \$620.70 million in sales have been registered.
- **USDA Aid Facilitates Cooperatives Exports to Canada:** After a year of developing relationships with Ontario produce buyers with the assistance of USDA's Foreign Agricultural Service, the Federation of Southern Cooperatives (FSC) has shipped a 3-ton container of Mississippi sweet potatoes into Toronto, opening a new, potentially large market for the members of the cooperative.
- **USDA Assesses Food Aid With North Korea:** In response to a request from AID for the World Food Program (WFP), USDA will purchase an additional 21,000 metric tons of grain for expedited shipment to North Korea. The corn, corn-meal and corn-soya blends will be delivered to a U.S. port in early April.
- **USDA to Release Updated Trade Statistics:** On March 23, USDA will publish its

latest U.S. Agricultural Trade Update, showing that overall exports are likely to decline from December to January as exports of corn and soybeans dropped. Anticipated greater foreign competition from large crops being harvested in Brazil and Argentina are limiting U.S. exports. Imports, however, are expected to continue to remain strong as cheaper Asian exports expand. The report will also project that the FY 1998 trade surplus will likely be below 1997's as a result of these factors.

- **USDA Boosts Dairy Exports:** From March 5 through March 11, USDA approved subsidies facilitating the export of 466 metric tons of dairy products to Latin American destinations.
- **Belgium discovers second case of BSE:** On March 10, Belgian authorities announced the discovery of a second case of Bovine Spongiform Encephalopathy (BSE), sometimes referred to as Mad Cow Disease, found in a 5 year-old cow in western Flanders. The diseased animal and all 48 animals of the dairy herd, were destroyed to keep them out of the food or feed chain.
- **USDA Employee Dies in Plane Crash:** On Wednesday, March 11, a fixed-wing aircraft piloted by USDA Wildlife Services employees LaWanna Clark, pilot trainee, and Andy Williams, pilot instructor, crashed near Bakersfield, California, killing Ms. Clark and seriously injuring Mr. Williams. The two had been conducting routine training exercises involving low-level flying when the aircraft went down. WS has halted all aerial operations, pending a thorough review of circumstances surrounding the accident.
- **USDA Proposes Child Nutrition Program Reforms:** On March 10, USDA sent Congress a proposal to reform the child nutrition and Supplemental Food Program for Women, Infants and Children (WIC). The legislative proposals extend the program through FY 2002; simplify administration of the child nutrition programs; support the President's initiative to help establish after school programs for children; ensure accountability and integrity in the child nutrition and WIC programs; and enable the Department in operating several food distribution programs more efficiently and effectively.
- **USDA Initiates Emergency Timber Operation:** On March 11, the Council on Environmental Quality (CEQ) approved alternative arrangements which allow the Forest Service to remove blown-down timber from National Forests in Texas without following the normal NEPA process. The blow-down occurred on February 10, 1998, on approximately 103,000 acres of the Sabine, Angelina and Sam Houston National Forests (located in East Texas, northeast of Houston). The request has generated considerable public and Congressional interest.
- **USDA Releases Animal Waste Research:** On March 10, USDA made available a study that provides data on nutrients available from livestock manure relative to crop growth

requirements. These research maps and tables show, by county, areas where nitrogen and phosphorus available from livestock feeding operations exceed crop requirements, thus causing potential run-off problems.

- **News releases:**
- Secretary Glickman issued a statement March 13 regarding EU Compliance with the WTO decision on the hormone ban, calling it a "deep disappointment to the U.S. cattle industry and to all of us who believe that the integrity of our trade agreements matters."
- Secretary Glickman announced March 11 that he sent to Congress that day draft legislation to modify debt forgiveness limitations enacted by the 1996 Farm Bill.
- **Commodity Markets in Review:** Wheat cash and futures rose on concerns that several days of low temperatures would harm the 1998 winter crop. Corn cash prices moved higher, prompting some farmer selling, but futures fell on increased competition from China and Indonesia and a private sector forecast of large 1998 acreage. Soybean cash prices were up, following higher vegetable oil prices, but futures dropped on private sector indications that area could be a record this year. Rice prices declined, pressured by falling Thailand and Vietnam prices. Cotton prices rose across the board, supported by USDA's higher export estimate for 1997/98 and reported export shipments that were the highest weekly figures so far this year. Cattle and hog prices were up last week, as severe winter weather in the Plains and Midwest slowed movement and also reduced hours of operation at some packing plants. Broiler prices followed other livestock higher. Butter and cheese prices were virtually unchanged.

Average prices for the week ending March 13, 1998

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.57	+0.05	-0.96
Corn \$/bu	2.76	+0.06	-0.20
Soybeans \$/bu	6.67	+0.11	-1.68
Rice \$/cwt	10.27	-0.15	-1.95
Cotton c/lb	67.04	+0.94	-5.70
Steers \$/cwt	61.91	+1.14	-5.80
Hogs \$/cwt	34.15	+1.50	-13.55
Broilers c/lb	55.68	0.15	-5.17

Cheese	\$/lb	1.39	0.00	+0.06
Butter	\$/lb	1.25	0.00	+0.19
Milk	\$/cwt	12.61	+0.39	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **President's Food Safety Initiative**
- **Secretary Unveils Food Safety Advance:** Secretary Glickman announced March 19 in a speech the National Press Club, a new product created by USDA researchers that significantly reduces potential salmonella contamination in chickens.

In field tests involving 80,000 chickens, the product, called PREEMPT, reduced salmonella from about seven percent in untreated chickens, to zero percent in the treated. The Food and Drug Administration this week approved PREEMPT, marking the first time the FDA has approved a mixture of bacteria as a type of animal drug known as a "competitive exclusion product." The new product preempts the growth of salmonella in chickens' intestines by introducing a blend of 29 live, non-harmful bacteria naturally present in healthy adult chickens.

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The balance of the Secretary's remarks amplified the President's food safety initiative.

- **USDA Enforces New Food Safety Rules; Suspends Operations at 8 Plants:** On March 6, USDA Suspended operations at Perdue Farms, Dillon, South Carolina, for Sanitation Standard Operating Procedure (SSOP) system failures, the second suspension at this plant. The previous action was for HACCP system failures.

On March 6, USDA suspended production at FBA Food Production, Brooklyn, New York for SSOP system failures.

On March 6, USDA suspended operations at Quality Meats, Midvale, Utah, for SSOP system failures.

On March 9, USDA officials suspended cow slaughtering operations at Federal Beef Processors, Inc., of West Fargo, North Dakota, based on repetitive Process Deficiency Records for fecal contamination.

On March 9, USDA suspended operations at Tyson Foods, Inc., Center, Texas, for HACCP system failures.

On March 10, USA withheld inspection at Longmont Packing, Longmont, Colorado, for repetitive SSOP system failures.

On March 11, USDA stopped operations at Agropecuaria Nacional in Yauco, Puerto Rico, for SSOP system failures.

On March 11, USDA stopped production at Sardinha Sausage, Inc., in Fall River, Massachusetts for SSOP system failures.

- **USDA Requests Recall of Suspect Meat:** On March 10, USDA requested a recall of about 18,000 cans of Hormel SPAM luncheon meat because of extraneous material, metal fragments. Food Safety officials are conducting effectiveness checks to confirm that customers are notified and product is returned.
- **USDA Issues Ground Beef Processing Guidance -Response to Hudson Beef Recall:** USDA will issue a guidance document to assist (especially small-) processors of ground beef, in developing procedures to minimize the risk of *E. coli* O157:H7 and other pathogens in ground beef products produced in their establishments, and will hold a public meeting on April 22 to discuss this guidance material, which was developed to solve problems raised by last summer's Hudson Beef Recall.
- **President's Initiative on Race**
- **USDA Reaches Out to Small and Minority Businesses:** USDA's Office of Small and Disadvantaged Business Utilization participated in the Florida Black Business Board's Second Annual "Black Business Investment Day" March 13, at the Tallahassee-Leon County Civic Center in Tallahassee, Florida. It also participated in a "Doing Business With Your Government," workshop, sponsored by Representatives Eva M. Clayton and Bob Etheridge at the Darden Alumni Center, Wilson, North Carolina on March 16.
- **President's Initiative on IMF Funding**
- **USDA Responds to Asian Financial Crisis:** On March 17, USDA made operational an additional \$325 million in credit guarantees under the GSM-102 program for Korea. The operational increases are: \$190 million for feedgrains, \$70 million for cotton, and \$65

million for wheat. This makes \$1 billion of the \$1.1 billion authorization operational. One hundred million remains in an unallocated reserve. To date \$620.70 million in sales have been registered.

On March 18, Under Secretary Schumacher testified before a subcommittee of the Senate Foreign Relations Committee on the effects of the Asian financial crisis on American agriculture. Most of the hearing focused on U.S. support for the International Monetary Fund (IMF). Mr. Schumacher stated that support for the IMF is critical for American agriculture.

- **Welfare Reform Update:** During the period from March 10 through March 17, 1998, USDA approved requests from Arizona, Montana, and Pennsylvania to extend and modify waivers from the provisions of the welfare reform law that limit food stamp participation to 3 months in any 36-month period for able-bodied adults between the ages of 18 and 50 without dependents, unless the individuals are employed for an average of 20 hours a week, or are participating in a work program. USDA also received similar waiver requests from Indiana and Minnesota. Indiana is asking to exempt an additional 3 cities and 4 counties designated as Labor Surplus Areas (LSAs). The Minnesota waiver would exempt 8 Indian Reservations, in addition to other areas of the State already approved based on an LSA designation or unemployment rates exceeding 10 percent.
- **USDA Assists Enterprise Community:** Last week, a partnership between USDA and the Northeast South Dakota Economic Corporation (NESDEC) was funded for \$500,000 for 30 units, to save the states' only Enterprise Community, and the Lake Traverse Indian Reservation where the Sisseton-Wahpeton Sioux Tribal Housing Authority and Indian Health Service have committed leveraging funds for new homeowners.

- **Operation Talon**

As of January 13, 1998, Operation Talon had resulted in 2,235 arrests of fugitive felons. Since then, this total has increased to about 2,500 people. This past week, Inspector General Roger C. Viadero participated in a press conference with Representative Menendez to report that about 200 Hudson County fugitives, including 2 child molesters, and a drug dealer who had been on the run for 9 years, had been arrested.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Budget Resolution:** The Senate Budget Committee formally began work today on the FY 1999 Congressional Budget resolution. Committee Chairman Domenici's mark contains provisions that would decrease Function 350 agricultural funding under the freeze baseline from \$11.8 billion in 1998 to \$10.8 billion in 2003. According to Committee documents, most of these savings result from reduced spending on CCC programs. The

Chairman's mark would also use the Food Stamp administrative offset; caps on CCC computer purchases; termination of the MAP; and termination of federal crop insurance for tobacco producers, to increase highway funding.

- **Agriculture Research Reauthorization:** House and Senate staff are meeting this week to resolve a number of outstanding issues prior to the beginning of the formal research conference. Although many of the conference issues will be resolved at the staff level, Members must still determine how to allocate Food Stamp administrative offset monies. OMB has prepared a letter which Director Raines will transmit to Capitol Hill regarding the funding issue. The Department is currently working on a separate letter which will summarize the Administration's views on the underlying research issues.
- On March 17, the Senate Appropriations Committee marked up two FY'98 Supplemental Appropriations bills, which include: full funding of the President's request for \$87.4 million in emergency loans; full funding of the President's request for \$4 million for indemnification of losses sustained by dairy and livestock producers beginning November 27, 1997; \$60 million for the Emergency Conservation Program, an increase of \$40 million over the request; \$50 million for the NRCS Watershed and Flood Prevention Operations, an increase of \$10 million over the request; full funding of \$58 million for Forest Service programs; \$2 million for Departmental Administration, and \$235 thousand for the Office of the General Counsel for Civil Rights activities.
- On March 17, the Senate Agriculture, Nutrition and Forestry Committee held a hearing on Child Nutrition Reauthorization (Part II - WIC). Shirley Watkins, Under Secretary for Food, Nutrition and Consumer Services, testified on behalf of USDA.
- On March 17, the Senate Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies held a hearing on FY'99 Agriculture Appropriations (Food Safety and Marketing and Regulatory Programs). Dr. Catherine Woteki, Under Secretary for Food Safety, and Mike Dunn, Assistant Secretary for Marketing and Regulatory Programs, testified on behalf of USDA.
- On March 17, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies held a hearing on FY 1999 Agriculture Appropriations (Natural Resources and Environment). Jim Lyons, Under Secretary for Natural Resources and Environment testified on behalf of USDA.
- On March 17, the House Resources Subcommittee on Forests and Forest Health held a hearing on H.R. 3297, a bill to suspend the continued development of a roadless area policy on public domain units and other units of the National Forest System pending adequate public participation and determinations that a roadless area policy will not

adversely effect forest health. Mike Dombeck, Chief, U.S. Forest Service, testified on behalf of USDA.

- On March 18, the House Agriculture Committee held a hearing on EU issues and the 1999 WTO Round. Secretary Glickman testified.
- On March 18, the Senate Foreign Relations Subcommittee on International Economic Policy, Export and Trade Promotion held a hearing on the role of the International Monetary Fund in supporting U.S. agricultural exports to Asia. August Schumacher, Jr., Under Secretary for the Farm and Foreign Agricultural Services, testified.
- On March 19, the House Appropriations Subcommittee on Interior will hold a hearing on FY 1999 Agriculture Appropriations. Secretary Dan Glickman and Mike Dombeck, Chief, U.S. Forest Service, will testify on behalf of USDA.
- On March 19, the House Resources Subcommittee on Forests and Forest Health will hold a hearing on the impact and status of the Northern Spotted Owl on national forests. Jim Lyons, Under Secretary for Natural Resources and the Environment, will testify on behalf of USDA.
- On March 24, the Senate Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies will hold a hearing on FY'99 Agriculture Appropriations (Farm and Foreign Agricultural Service). Gus Schumacher, Under Secretary for Farm and Foreign Agriculture Services, will testify on behalf of USDA.
- On March 25, the House Education and Workforce Subcommittee on Early Childhood, Youth, and Families will markup the Child Nutrition Reauthorization legislation.
- On March 25, the House Agriculture Subcommittee on Forestry, Resource Conservation and Research will hold a hearing to review the effects of electricity deregulation on rural areas. Jill Long Thompson, Under Secretary for Rural Development, will testify on behalf of USDA.
- On March 26, the House Agriculture Subcommittee on Livestock, Dairy, and Poultry will hold a hearing to review Federal Milk Marketing Order Reform. Dr. Enrique Figueroa, Administrator, Agricultural Marketing Service, will testify on behalf of USDA.
- On March 26, the House Resources, Budget and Appropriations Committees will hold a joint hearing on the management of the U.S. Forest Service. Witness to be announced.

IV. SECRETARY'S SCHEDULE

- On March 18, Secretary Glickman testified to the House Agriculture Committee.
- On March 19, Secretary Glickman will testify to the House Interior Appropriations Committee.
- On March 19, Secretary Glickman will address the National Press Club on Food Safety.
- On March 20, Secretary Glickman will hold a School Breakfast event in Wichita, Kansas.
- On March 20, Secretary Glickman will address the Kansas State Conference on Agriculture.
- On March 22, Secretary Glickman will address the United Jewish Appeal.
- On March 23, Secretary Glickman will attend the Public Voice Annual Conference.
- On March 25, Secretary Glickman will address the North Carolina A&T Small Farmers' Week Conference.

V. DEPUTY SECRETARY'S SCHEDULE

- On March 20, Deputy Secretary Rominger will deliver the opening address at the exhibit of Flowers, Folios, and Farmers at the National Agricultural Library to celebrate the Floral Gems, Blossoming Wealth of South Africa.

VI. SUB-CABINET SCHEDULE

- On March 18, Under Secretary Schumacher will testify before the Senate Foreign Relations Subcommittee on International Economic Policy, Export and Trade Promotion concerning the IMF and the Asian economic crisis.
- On March 18, Under Secretary Long Thompson will address the International Conference on Women in Agriculture at the Agricultural Women's Leadership Forum, in Washington, DC.
- On March 18, Assistant Secretary Dunn will address the Midwest and Northeast Dairy Conference, in Westlake, Ohio.
- On March 19, Under Secretary Schumacher will address the Summit on American Food, Fiber and Agricultural Global Competitiveness, Washington, D.C.

- On March 19, Chief Information Officer Reed will address the Women In Technology Senior Women in Government Program, in Washington, D.C.
- On March 20, Under Secretary Lyons will address the U.S. Alpine National Ski Championship in Jackson Hole, Wyoming.
- On March 21, Under Secretary Gonzalez will speak to the Council for Agricultural Science and Technology in Arlington, Virginia.
- On March 23, Under Secretary Schumacher will address the Fifth Annual Conference on Western Hemisphere Economic Issues, Laredo, Texas.
- On March 23, Under Secretary Woteki will brief members of the National Academy of Sciences on the President's Food Safety Initiative.
- On March 24, Under Secretary Lyons will address the Association of Metropolitan Water Agencies in Washington, DC.
- On March 24, Under Secretary Watkins will be the keynote speaker at the Public Voice conference in Washington, DC.
- On March 24, Under Secretary Schumacher will testify before the Senate Appropriations Committee hearing on the mission area FY 1999 budget proposal.
- On March 25, Assistant Secretary Dunn will address the Minnesota Agri-Growth Council, Inc., in Minneapolis, Minnesota.
- On March 27, Under Secretary Watkins will attend groundbreaking ceremonies for the National Food Service Management Institute Groundbreaking, at the University of Mississippi.
- On March 27, Assistant Secretary Dunn will address the South Carolina Dairy Association, in Myrtle Beach, South Carolina.

VII. PRESS/MEDIA INQUIRIES

- On March 6, Representative Stenholm and State Director for Rural Development in Texas Steven Carriker presented a check to Stanford, Texas, Emergency Medical Services representing a \$30,000 Community Facilities grant for an EMS station. State Representative David Counts was also present. Coverage included an item in the *Abilene Reporter-News* on March 5.

- On March 9th, Representative Oliver and State Director for Rural Development in Massachusetts Bill Bradley held a joint press conference and a “big check” ceremony to announce the funding of a \$35,000 RBEG to revitalize downtown Pittsfield, MA. Funding to the nonprofit organization Pittsfield, Inc. was leveraged with the \$10,000 grant provided by the City of Pittsfield to be used to promote revitalization of the downtown.
- The same day, State Director Bradley and Representative Oliver held a joint press conference and check ceremony to announce the funding for a Water and Waste Water \$841,000 grant and a \$1,275,000 loan to the Town of Hinsdale, MA. Funding will be leveraged with a \$3.1 million loan from the State Revolving Loan Program administered by the State DEP and will be used to construct a sewer collection system. The system will eliminate pollution of the ecosystem of the lakes. The service will be available to 335 residential and 21 non-residential users. Press coverage of both events was good, with two separate articles (including photos) appearing on the front page of the *Berkshire Eagle* on March 9.
- On March 10, Wally Furrow and John Romano, Rural Utilities Service (RUS) Deputy Administrator for Water Wastewater, participated in two water project funding ceremonies. During the first ceremony a check for \$2,905,000 was presented to the Northeast Marion County Water Company in Kinmundy. The funding, \$1,230,000 in loan and \$1,675,000 in grant, will enable the water company to install 100 miles of water line, a 150 gallon elevated tank, 150 gallon storage tank and a pump station which will serve 420 households and farms. In a separate ceremony on the same day, Romano and Furrow presented a check for \$1,1182,000 to the Carlyle North Lakeshore Sewer, Inc. in Carlyle. The funding, \$890,000 in loan and \$292,000 in grant, will allow the sewer company to construct a gravity sewer collection system and forced main transmission line to Carlyle’s sewage treatment plant. The new sewer system will serve 197 households. The Carlyle project was covered in a three-column by eight inch article with a large photo in the *Centralia Sentinel* March 11.
- On March 10, Rural Development State Director for Kentucky Tom Fern and Jan Shadburn, Rural Housing Service Administrator, participated in two Community Facility presentation ceremonies. During the first ceremony a check for \$955,000 was awarded to the Lewis County Primary Care Center, Inc., in Vanceburg. The funding will enable the center to construct a 9,000 square foot building to house a county health care facility with 12 exam rooms, x-ray lab, offices, nurse’s station and a telemedicine center, to meet the current and future medical needs of Lewis County. The facility will benefit 13,029 citizens in Lewis County. In a second ceremony on the same day, Fern and Shadburn presented to the Fleming County Hospital Foundation, Inc., in Flemingsburg. The center was awarded a loan for \$1,822,500 to construct a 15,000 square foot building to house a medical office/clinic adjacent to the existing Fleming County Hospital in order to provide convenient office space to attract new doctors to Fleming County. After completion of the

presentations, Shadburn was taken on a tour of other Community Facility and 515 Rural Rental Housing projects in surrounding counties. Press coverage was good, including a photo and article in the *Ledger Independent*, Maysville, KY, on March 11 and a segment on the local CBS news affiliate. Another article is expected in a weekly paper in the area this week.

- FAS Administrator Lon Hatamiya conducted four radio interviews from Tokyo on March 13: USDA Radio; Brownfield Network, a Missouri-based network with 32 stations in Illinois, 32 in Indiana, 38 in Iowa, and 32 in Nebraska; Mid-America Ag Network, a Kansas-based network with 44 stations in Kansas and Nebraska; and Northwest AgInfo Network, a Washington-state based network with 33 stations in Washington.
- PBS (Public Broadcasting, New York) requested statistics on the number of families, excluding legal aliens, who have left the Food Stamp Program as a result of welfare reform legislation. PBS is planning a special broadcast on the effects of welfare reform to be aired on June 5, 1998.
- The *Atlanta Journal Constitution* ran an expected story on two consumer complaints about sausage casing material in wieners prepared by Bryan Foods of Little Rock, AR. FSIS did not recall the products because there was no medical history involved in the cases and because each case was an isolated incident during 1997, in which 18.2 million pounds of product was produced at the plant. The plant has included the casing procedure as a critical control point in its new inspection procedures, which went into effect in January.
- Rural Development DE/MD State Director John Walls, Delaware's Lt. Governor Minner, and other State officials will join students of Polytech High School in Woodside, Delaware for breakfast Thursday, March 19th. Speakers will emphasize the need for nutritious breakfast and alert the public that school breakfasts are available to all students. In Delaware, the Federal and State partnership provides about \$274,000 annually and serve 15,000 students each school day.
- **President's Food Safety Initiative:** Secretary Glickman delivered a speech on food safety and the President's National Food Safety Initiative to students, faculty, researchers, and others at the University of Georgia in Athens, Georgia, March 13. The Secretary talked about President Clinton's promise "to seek the largest funding increase in history" for the National Science Foundation and the National Institutes of Health, and the President's pledge to support research to help find cures for cancer, heart disease, AIDS, and other diseases. He also mentioned that the President's balanced budget for 1999 contains increased funding for food safety. Prior to the speech, the Secretary observed demonstrations of several important developing food safety research technologies at the Richard Russell Center. Reuters, the local affiliate of National Public Radio, a CBS camera, and the University of Georgia's daily newspaper covered the Secretary's speech. Articles appeared in the March 14 editions of the *Athens Daily*

News/Banner-Herald and the Atlanta Constitution.

- Secretary Glickman spoke to a joint conference of the National Grocers Association, the Food Marketing Institute, and the Food Distributors International March 17. He will focus on food safety and how it is important that everyone in the food chain, from farm to store to table, plays a role in making our food supply even safer.
- Secretary Glickman is delivering a speech on food safety at the National Press Club in Washington, D.C., March 19.
- Secretary Glickman is delivering a speech on food safety, with an emphasis on the role of consumers, to Public Voice in Washington, D.C., March 23.
- **Amplification:**
- **The President's commitment to assist in areas hurt by freeze and flood:** Secretary Glickman, after receiving a briefing on the impact of the freeze and flooding on local farms, toured a Georgia farm to view the crop damage and to hear from producers. Media coverage was substantial, including all network affiliates plus Fox (from Atlanta, Macon, or Columbus, Georgia), CNN -- which accompanied the Secretary in his helicopter -- Reuters, Associated Press, the Macon daily newspaper, and two local radio stations. In addition, the Secretary placed individual telephone calls to ABC Radio, NBC Radio, CBS Radio, and NPR (for "Weekend Edition") to discuss the damage caused by freezing and floods, and the *Atlanta Constitution* and the *Athens Daily News/Banner-Herald* ran articles in their weekend editions.
- **Trade, safety net for farmers:** Secretary Glickman will deliver a speech to the Governor's Conference on Agriculture in Wichita, Kansas, March 20, focusing on trade and the President's commitment to a safety net for farmers.

VIII. FOIA REQUESTS

Nothing Significant to report this week.

IX. WEEKEND CONTACT

Greg Frazier

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March 25, 1997

Memorandum For the President

Through: The Honorable Erskine Bowles
From: Secretary Dan Glickman
Subject: Report for Week of March 25, 1997

USDA FACT OF THE WEEK

Between the beginning of this fiscal year and March 20, USDA has provided \$2.5 billion in rural development financing for rural economic and business development, housing, telecommunications, and water and waste disposal projects, creating or saving nearly 35,000 jobs, providing housing to 22,000 families, and water and sewer services to 195,000

I. KEY DEPARTMENT NEWS

- **Funds for Food Stamps, Agricultural Research, Crop Insurance, and Rural Development Approved:** On March 24, conferees reached an agreement on the agricultural research bill that will provide, over 5 fiscal years, \$792 million for the restoration of food stamps to certain legal immigrants, \$600 million for agricultural research, \$470 million for crop insurance, and \$100 million for the Administration's Fund for Rural America. The details are still being written as of this date; nonetheless, floor action in both chambers is possible by the end of this week.
- **USDA to Investigate Meat Packers; Help Livestock Growers:** On March 24, Secretary Glickman joined Senators Daschle, Baucus, Conrad, Dorgan, Harkin, Johnson, and Wellstone announcing steps USDA will undertake to investigate and end potentially anti-competitive practices in the meat packing industry. In addition, the Secretary announced that, in response to excessive supplies and low prices, USDA will be purchasing an additional \$30 million in beef and \$25 million in turkey products for distribution through emergency feeding programs.
- **Secretary Amplifies Food Stamp Restoration:** On March 22, Secretary Glickman addressed a United Jewish Appeal youth group about the restoration of food stamp benefits to certain legal aliens.

- **Secretary Amplifies Food Safety and Food Stamp Restoration:** On March 23, Secretary Glickman addressed the annual convention of Public Voice, amplifying the President's food safety initiative and program to restore food stamps for legal immigrants.
- **Secretary Amplifies the Farm Safety Net:** On March 25, Secretary Glickman addressed North Carolina A&T's Small Farms Week conference, emphasizing the need for Congressional action to improve the farm safety net for small and minority farmers.
- **USDA Calls for Emergency Farm Credit Legislation:** Secretary Glickman joined Senator Robb, and Representatives Clayton, Bishop, and Etheridge at a news conference announcing the introduction of the Administration's proposal to repeal the 1996 Farm Bill's prohibition on providing USDA loans to farmers who have received a write down.
- **USDA Boosts Dairy Exports:** From March 12-18, USDA approved subsidies to facilitate the export of 1748 metric tons of dairy products to various Latin American destinations.
- **Commodity Markets in Review:** Cash and futures prices for wheat fell last week, following poor export demand and reduced concerns about the U.S. winter wheat crop. Corn cash and futures prices dropped on pessimism about export prospects, an increase in Argentina's official forecast of its 1997/98 corn crop, and reduced concern about planting delays in the U.S. South. Rice cash prices held steady, but futures fell for the week despite a rise in export sales. Soybean cash and futures prices slumped as export sales continue slow and Brazil's harvest has been proceeding without delays. Cotton cash prices rose, but futures fell in light trading. Choice steer cash prices were higher last week, supported by adverse weather in the Midwest and better wholesale beef prices; futures prices fell, as most believe beef output will be higher in the coming months. A slowdown in broiler and pork production helped raise both broiler and hog prices last week. Butter and cheese prices were unchanged.

Average prices for the week ending March 20, 1998

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.48	-0.09	-1.07
Corn \$/bu	2.69	-0.07	-0.28
Soybeans \$/bu	6.52	-0.15	-1.78
Rice \$/cwt	10.28	0.00	-1.94
Cotton c/lb	67.78	+0.74	-2.95
Steers \$/cwt	62.68	+0.77	-5.19
Hogs \$/cwt	34.95	+0.80	-12.45
Broilers c/lb	56.44	+0.76	-4.22
Cheese \$/lb	1.39	0.00	+0.06
Butter \$/lb	1.25	0.00	+0.19
Milk \$/cwt	12.81	+0.20	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **President's Welfare Reform Initiative**

- **Secretary Calls for Food Stamps Restoration:** During his speech before Public Voice on March 23, and in letters to the conferees, Secretary Glickman called on Congress to approve funding to restore food stamps to legal immigrants as part of the agricultural research bill. On March 24, conferees reached an agreement that will, over 5 years, provide approximately \$800 million for that purpose.
- **Welfare Reform Update:** During the period from March 11, 1998 through March 18, 1998, FNS approved requests from the Indiana and Nevada State Agencies to extend and modify waivers of the provisions of Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act. Section 824 imposes a work requirement on most able-bodied adults. Waivers were provided to 7 counties and 2 cities as well as residents of 16 Indian Reservations in Nevada. In Indiana waivers were granted to 4 counties and 3 cities. Waivers were granted in these locales due to unemployment rates of over 10 percent or an insufficient number of jobs.

- **President's Food Safety Initiative**

- **Secretary Amplifies Food Safety and Food Stamp Restoration:** On March 23, Secretary Glickman addressed the annual convention of Public Voice, amplifying the President's food safety initiative.
- **USDA Action Prompts Turkey Recall:** On March 23, USDA announced that Jerome Foods, of Barron, Wisconsin, is voluntarily recalling about 1,000 lbs. of "The Turkey Store" brand "Turkey Breast Roast" because product may have been under-processed. The turkey breast roast was distributed primarily to stores in the greater Minneapolis area, with a small amount also distributed to Madison and Stevens Point, Wisconsin; Central Islip, NY; Houston; and Cleveland.
- **President's Race Initiative**
 - **USDA Civil Rights Video Honored:** On March 19, the newly released video, "Simple Justice," a USDA-produced video on Civil Rights in the workplace, received a Best Take Award in the internal communications category by the D.C. Chapter of the International Television Association.
 - **USDA Assistance for Native American Housing:** On March 17, 1998, USDA's Rural Housing Service provided \$5.25 million in rural housing funds for projects in Arizona, Kentucky, Mississippi, New Mexico, and South Dakota. Five of the seven projects funded will serve Native Americans.
 - **USDA Working Down Civil Rights Complaints Backlog:** Since January 1, 1997, USDA has resolved 286 of the backlog of pending civil rights program complaints; 842 cases remain open and under review. During the same period, USDA has closed 973 employment complaints.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Funds for Food Stamps, Agricultural Research, Crop Insurance, and Rural Development Approved:** On March 24, conferees reached an agreement on the agricultural research bill that will provide, over 5 fiscal years, \$792 million for the restoration of food stamps to certain legal immigrants, \$600 million for agricultural research, \$470 million for crop insurance, and \$100 million for the Administration's Fund for Rural America. The details are still being written as of this date; nonetheless, floor action in both chambers is possible by the end of this week.
- On March 24, the Senate Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies held a hearing on FY 99 Agriculture

Appropriations. Gus Schumacher, Under Secretary for Farm and Foreign Agriculture Services, testified.

- On March 24, the House Resources Subcommittee on Forests and Forest Health held a hearing on several Forest Service bills. Robert C. Joslin, Deputy Chief, U.S. Forest Service, testified.
- On March 25, the House Resources Committee will mark up H.R. 3297, a bill to suspend the continued development of a roadless area policy on public domain units and other units of the National Forest System pending adequate public participation and determinations that a roadless area policy will not adversely affect forest health.
- On March 25, the House Agriculture Subcommittee on Forestry, Resource Conservation and Research held a hearing to review the effects of electric deregulation on rural areas.
- On March 25, The Senate Energy and Natural Resources Subcommittee on Forests and Public Lands Management held a hearing on several miscellaneous forestry bills.
- On March 26, the House Agriculture Subcommittee on Livestock, Dairy, and Poultry will hold a hearing to review Federal Milk Marketing Order Reform; Dr. Enrique Figueroa, Administrator, Agricultural Marketing Service, will testify.
- On March 26, the House Resources, Budget and Appropriations Committees will hold a joint hearing on the management of the Forest Service; Mike Dombeck, Chief, U.S. Forest Service, and Roger Viadero, Inspector General, will represent USDA.

IV. SECRETARY'S SCHEDULE

- On March 26, Secretary Glickman will address the Friends of the Israel Defense Forces in Miami, Florida.
- On March 30, Secretary Glickman will announce a Conservation Reserve Enhancement Program for Illinois in Peoria; Senators Durbin, and Mosley-Braun, Representative Evans, and Governor Edgar will join him.
- On March 31, Secretary Glickman will address Chicago's Executive Club. He will then visit the McDonald's Corporation's Hamburger University, to amplify food safety issues.

V. DEPUTY SECRETARY'S SCHEDULE

- From March 25-30, Deputy Secretary Rominger will attend and address the Irish Farmers'

Journal Conference, in Dublin, Ireland.

- On March 31, Deputy Secretary Rominger will address a luncheon on behalf of the Land O'Lakes Board of Directors in Washington, D.C.
- On March 31, Deputy Secretary Rominger will address members of the California Agricultural Leadership Program in Washington, D.C.

VI. SUB-CABINET SCHEDULE

- On March 25, Assistant Secretary Dunn will address the Minnesota Agri-Growth Council, Inc., in Minneapolis, Minnesota.
- On March 27, Assistant Secretary Dunn will address the South Carolina Dairy Association, in Myrtle Beach, South Carolina.
- On March 27, Under Secretary Watkins will attend the National Food Service Management Institute Groundbreaking, at the University of Mississippi.
- On March 29, Under Secretary Watkins will attend an American Commodity Distribution Association conference in Baltimore, Maryland.
- On March 31, Under Secretary Long Thompson will attend a ceremony in Dawson, GA, recognizing Rural Development's help in providing a \$1.4 million Business & Industry loan guarantee to the Dawson Workers Owned Cooperative, LLC, of Dawson.
- On April 1, Assistant Secretary Dunn will address the Florida Farm Bureau, in Gainesville, Florida.
- On April 3, Under Secretary Lyons will address the National Society of Minorities in Agriculture, Natural Resources, and Related Sciences, in Des Moines, Iowa.

VII. PRESS/MEDIA INQUIRIES

- On March 18, while in Korea, FAS Administrator Lon Hatamiya was interviewed by RFD Illinois Radio Network, of Bloomington, Illinois; Kansas-Nebraska Ag Network, of Topeka, Kansas; VSA Radio Network, of San Angelo, Texas; and USDA radio.
- **Trade, IMF:** The media coverage was significant when Secretary Glickman discussed trade -- especially the importance of trade agreements and the International Monetary Fund -- before the House Agriculture Committee March 18. It included the *National Journal*,

Bloomberg, Dow Jones, Bridge News, Reuters, *Farm Progress*, and Futures World News.

- **Civil Rights, Safety Net for Farmers:** Deputy Secretary Richard Rominger held an interview March 19 with a Minneapolis radio program production company (that works in conjunction with Successful Farming publications), which feeds to 76 stations in the upper Midwest. The interview, which is being edited into a 90-second spot, focused on Small Farm Commission recommendations.
- **Trade, Safety Net for Farmers:** Secretary Glickman delivered the opening Keynote Address to the Governor's Conference on Agriculture in Wichita, Kansas, March 20, focusing on trade and the President's commitment to a safety net for farmers. Media coverage included the CBS and NBC affiliates from Wichita, the *Wichita Eagle*, the Associated Press, Reuters, Bridge News, and the *Topeka Capital Journal*. The Secretary also held one-on-one interviews with the public television station in Wichita and the CBS and NBC television affiliates; the interviews were wide-ranging, covering trade, production agriculture, and the economy, among other issues.
- **President's Initiative on Food Safety:**
 - Secretary Glickman delivered a speech on food safety, with an emphasis on the role of consumers, to Public Voice in Washington, D.C., March 23. The Secretary talked about Clinton Administration efforts on food safety and USDA's role in those efforts. He also talked about agricultural research legislation, currently being considered in Congress, that deals with such important Administration issues as crop insurance, research, and aid to rural communities. C-SPAN, Reuters, the Associated Press, *The Webster Ag Letter*, Futures World News, Ag Radio, plus two print reporters and one radio reporter covered the Secretary's speech. Following his remarks, reporters asked the Secretary about pork, Asia, organic labeling, and food stamps for legal immigrants.
- **President Clinton's Commitment to a Safety Net for Farmers:** Secretary Glickman joined Senator Robb, and Representatives Meek, Stabenow, Thompson, Holden, Brown, and Clayton in announcing the introduction of legislation intended to provide farmers a second chance for loans by modifying debt forgiveness regulations enacted by the 1996 Farm Bill. The Agriculture Credit Restoration Act of 1998, crafted from a Clinton Administration proposal, is sponsored by Senator Robb and Representative Clayton. The *Richmond Times Dispatch*, *Raleigh News-Observer*, and other Capitol Hill reporters covered the news conference.
- **Food Safety, Trade, IMF:** Secretary Glickman and Deputy Secretary Rominger were interviewed by Ag Day television. The Secretary discussed the Food Quality Protection Implementation Act, while the Deputy focused on salmonella spray, organic labeling, upcoming farm forums, Ag Day, trade, and the International Monetary Fund.

VIII. FOIA REQUESTS

Nothing significant to report this week

IX. WEEKEND CONTACT

Greg Frazier

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Week of

April 1

Week of

April 7

April 16, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of April 14, 1997

I. KEY DEPARTMENT NEWS

- **Secretary To Travel To Kansas And Missouri:** On April 18, Secretary Glickman will travel to Wichita, KS to deliver the Eisenhower Lecture at Wichita State University, focusing on hunger and public service. He will also participate in a gleaning/food rescue event, meet with the *Wichita Eagle* editorial board, and appear on the *KWCH (CBS affiliate)* "Live at Five" program for a discussion on general agricultural issues and gleaning/food rescue. On April 19, the Secretary will be in Odessa, MO to participate in Rep. Skelton's farmers advisory meeting and in Blue Springs, MO to visit with rural development leaders from the town of Sedalia.
- **Talks Continue With European Union:** USDA Office of General Counsel attorneys participated in the continuing veterinary equivalency talks with representatives of the European Union (EU), April 8-10. The negotiators were able to resolve a number of outstanding issues, but unresolved issues remain involving poultry exports from the United States to the EU, preventing the parties from being able to conclude an agreement. The United States is considering the EU's latest offer on these issues. The Trade Policy Review Group, an interagency body, discussed the matter on April 11.
- **Civil Rights Update:** The week of April 14, the USDA Civil Rights Implementation Team (CRIT) named executive sponsors, team leaders, team members, liaisons, and advisors for the 32 teams that will be implementing Secretary Glickman's Civil Rights Action Team recommendations.

On April 23, the National Black Farmers Association plans to hold a rally at USDA headquarters in Washington, DC, with Rep. Thompson as a featured speaker. The Congressional Black Caucus and Secretary Glickman will meet with the group's leadership following the rally.

- **Hepatitis A Outbreak Update:** The number of confirmed cases of Hepatitis A in Michigan has grown to 183. The Food and Drug Administration's investigation of the distributor's records shows about 60 percent of the suspect product went into commercial channels. USDA is investigating the allegation that the product was grown in Mexico.

Frozen strawberries linked to the Hepatitis A outbreak were re-exported from the United States to Canada, and Canadian authorities have also documented re-exports of the strawberries from the suspected lots to third countries, including Brazil, Aruba, and Malaysia. Canadian authorities, issuing a public health advisory from Quebec April 5, have taken the precaution of inoculating some individuals although no cases have yet been documented in Canada.

- **Disaster Update:** In North and South Dakota, Minnesota, and Montana, several USDA Farm Service Agency (FSA) county offices were closed the week of April 7 due to power outages and blizzard conditions. In North Dakota, more than 3,000 power line poles were snapped, cutting electricity to more than 83,000 people. FSA staff, who work in offices shut down by the storms, continue to coordinate disaster relief efforts, fill sandbags, and help evacuate towns, with many also pitching in during off-duty hours. Secretary Glickman sent a memorandum April 11 to USDA employees in the affected states, in which he stated that employees will be on administrative leave and continue to be in pay status until their offices reopen.
- **USDA Funds For Low-Income, Beginning Farmers Run Low:** The \$469 million allocated for FY97 direct operating loans to low-income and beginning farmers who are unable to obtain credit from commercial sources will be exhausted by May 30. Many states have already depleted their allocations, and without additional funds, more than 2,400 low-income and beginning farmers will lose the resources necessary to enable them to continue farming operations.
- **USDA Promotes Breastfeeding:** To promote breastfeeding, especially among pregnant women participating in the Women, Infants, and Children (WIC) program, USDA sponsored the April 16 semi-annual meeting of the Breastfeeding Promotion Consortium and the April 16-19 WIC National Breastfeeding Promotion Conference. In addition, Arkansas, California, Iowa, Mississippi, Nevada, New Jersey, New York, Ohio, West Virginia, and the Chickasaw Indian Tribal Organization are participating in the WIC National Breastfeeding Promotion Project, in which the states will launch a media implementation phase during World Breastfeeding Week, August 1-7.

- **Interior Columbia Basin Announcement Set For April 23:** On April 23, USDA will announce the Preferred Alternative for the draft environmental impact statement (DEIS) for the Interior Columbia Basin Ecosystem Management Project (ICBEMP). The DEIS will be available to the public for comment in mid-May. The ICBEMP is a federal land management strategy to prevent further declines in fish and wildlife, address the threat of catastrophic wildfires, ensure a sustainable supply of products and services, and prevent litigation and legal gridlock in the interior Columbia River Basin and the Klamath and Great Basins.
- **Boundary Waters Canoe Area Final Report To Be Announced:** On April 28, the final report from the Boundary Waters Canoe Area (BWCA) Wilderness Mediation Committee is expected to be signed by committee members and forwarded to the Minnesota Congressional delegation. The BWCA Wilderness Mediation Committee finished negotiating sessions April 3 without resolving the main issue of motorboat access. The mediation process was convened by the Federal Mediation and Conciliation Service at the request of Senator Wellstone in an effort to resolve historic use disputes through multi-party negotiation rather than legislation.
- **Tongass Land Management Plan Revision Update:** Six interagency scientific panels finished assessing selected alternatives for the final Tongass Land Management Plan (TLMP), some of which were modified since release of the draft environmental impact statement in April 1996. The summaries of the panels are expected to be completed by the end of April for review. Notes of a silent observer for one panel were obtained by the press, causing Senator Murkowski to raise questions about the panel's credibility.
- **Animal Liberation Front Threatens Oregon Project:** The supervisor of the Willamette National Forest in Oregon received a letter from the Animal Liberation Front (ALF) the week of April 6, claiming that 47 trees were spiked on the Robinson Scott project on the McKenzie Ranger District to protest and stop clearcutting. The letter also claimed that an incendiary device had been placed in a Forest Service vehicle, but was removed when it failed to ignite. No spikes were found in any of the Forest's trees, and the FBI is investigating the situation.
- **USDA To Celebrate National Volunteer Week:** The Forest Service has selected 40 volunteers to receive during National Volunteer Week, April 13-19, the 1997 Forest Service Chief's Volunteer Program National Awards for their exemplary service to USDA and the public. In FY96, there were 80,095 participants in the Forest Service volunteer program on public lands, with their work valued at \$34.9 million.
- **Yellowstone Bison Update:** A bison management Environment Impact Statement (EIS) meeting was held April 14-16 in Helena, MT to discuss issues related to brucellosis and bison in Yellowstone National Park.

- **Trade Developments:** On April 7, the United States filed an initial complaint with the World Trade Organization (WTO), alleging that Japan's import quarantine measures violate the principles of the WTO's Sanitary and Phytosanitary Agreement, an attempt to resolve an ongoing dispute regarding Japan's policy and practice of requiring new and separate testing for each individual variety of fruit presented for export to that country.

Responding to a World Food Program request, the United States announced April 15 an emergency food aid program providing about \$15 million of corn for North Korea. This is in addition to an earlier \$10 million contribution of corn and rice.

The United States could benefit from a recent Indian announcement of increased liberalization of corn imports. This significant announcement follows several years of joint efforts by the local poultry industry, the Office of Foreign Agricultural Affairs, and the U.S. Feed Grains Council.

From July 1996 to January 1997, U.S. apple exports to Japan were 667 tons (valued at \$381,539), down 43 percent compared to the same period last season, increasing the likelihood of falling below the 1995/96 level of 1,403 tons.

- **Agricultural Markets In Review:** For the week ending April 11, average prices for commodities were:

Commodity	Weekly average price	Change from a week ago	Change from a year ago
Wheat	\$4.60/bu	+\$0.17	-\$1.60
Corn	2.96/bu	-0.02	-1.49
Soybeans	8.47/bu	-0.03	+0.66
Rice	12.22/cwt	0	+4.41
Cotton	.690/lb	+.0021	-.1707
Steers	67.28/cwt	-0.37	+5.70
Hogs	52.85/cwt	+2.05	+2.75
Broilers	.606/lb	+.0006	+.0502
Cheese	1.29/lb	+0.01	-0.10
Butter	1.07/lb	+0.01	+0.42

Wheat prices rose sharply the week ending April 11 on freeze concerns. Corn prices advanced, as cold, wet weather in the Midwest could force some intended corn acreage to be planted with soybeans. Rice prices surged following USDA's report of a sharp reduction in long grain stocks. Soybean prices fell as crush and exports slowed. Cotton prices slumped on the lack of supporting news. Strong packer demand led steer prices up, partially offsetting a sluggish market earlier in the week. Weather related problems led hog prices up, while broilers advanced on good retail sales. Wholesale cheese and butter prices were virtually unchanged last week.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Earth Day Update:** On April 22, as part of Earth Day activities, Secretary Glickman will participate in an Urban Resources Partnership in Boston, MA and announce nearly \$70 million in water and sewer awards in over 30 states. The Secretary's announcement, which will make the point that a sound environment, especially clean and safe water, is essential to sound public health, will be boosted by events in 16 states where USDA officials will visit to make official award presentations. Deputy Secretary Richard Rominger will travel to Springfield, MA on Earth Day to announce over \$6 million in water and sewer awards with Rep. Olver. Other Department officials are expected to travel to Arkansas, Arizona, Illinois, Louisiana, Maryland, Michigan, Mississippi, New Mexico, Ohio, Oregon, Pennsylvania, Texas, Virginia, West Virginia and Wisconsin.
- **Conference On Early Childhood Development And Learning Update:** Secretary Glickman taped an interview April 11 with *WCLV* radio, Cleveland, OH, on the White House Conference on Early Childhood Development and Learning, focusing on USDA research, nutrition assistance, and nutrition education programs that support parents and enhance early childhood education. The Secretary plans to participate in the conference.
- **D.C. Initiative Update:** On April 24, Secretary Glickman will announce an Urban Natural Resource Initiative at John Burroughs Elementary School in northeast Washington. The initiative, involving several USDA agencies, will provide both technical and financial assistance to implement the program, a partnership with several federal and local government agencies, schools, professional organizations, nonprofits, volunteer groups, and concerned citizens. The announcement will be accompanied by a tree-planting ceremony.
- **Citizens/National Service Update:** On April 27-28, Secretary Glickman will participate in the President's Summit for America's Future.

In related news, the Secretary addressed more than 300 4-H youth and adult volunteers April 9 in Washington, DC, urging the group to get involved in volunteerism as a way to change the world. The event was covered by *Futures World News*, *Reuters*, and other members of the press.

- **Empowerment Zone Update:** Secretary Glickman joined Vice President Gore April 15 at the Empowerment Zone Conference in Detroit, MI, where he delivered an address on the special needs of poor rural communities, gleaning/food rescue, and national service, and announced more than \$6 million in grants available to help rural areas build community facilities, such as schools, fire houses, police stations, and medical clinics.
- **Welfare Reform Update:** During the period April 11-14, USDA approved a request from three Native American reservations in Nebraska to waive provisions of the welfare reform bill regarding work requirements that limit receipt of food stamps for childless able-bodied adults to three months in any three-year period unless the individual is working at least 20 hours per week, due to the lack of job availability. The Department also partially approved a request from Alabama, where 16 counties and one city were excluded from the Act's provisions, although the request was to exclude 17 counties.
- **Water 2000 Update:** USDA officials are working with the Department's state offices to plan an extensive, multi-state roll-out of Water 2000 projects on June 30. The nationwide series of events will announce targeted safe drinking water projects funded with the Department's water and wastewater National Reserve and the Fund for Rural America.
- **Food Safety Initiative Update:** USDA representatives met with Council of Economic Advisors Senior Economist Jason Shogren April 2 to discuss a cooperative food safety project with researchers at Kansas State University and Iowa State University to value risks from *E. coli* O157:H7 and *Salmonella* in beef, given alternative reduction strategies and elicitation methods.
- **Everglades Restoration Update:** On April 26, Deputy Secretary Rominger will be in Ft. Lauderdale, FL for a ceremony releasing exotic Australian weevils, which have an appetite for melaleuca (paperback) trees that threaten south Florida's ecosystem. Release of the bug is consistent with the White House's Everglades restoration plan, since it poses no risk to other vegetation and wildlife while destroying a plant that displaces native vegetation, wastes water, and deprives wildlife of its natural habitat.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Meetings Scheduled:** On May 9, the Secretary plans to hold an Agriculture Forum with key Members of the House and Senate agriculture committees and appropriations subcommittees to discuss the future of several USDA programs and the county delivery system.
- **Congressional Hearings:** On April 17, the Senate agriculture committee will hold a hearing on the federal crop insurance program, focusing on subsidies for a recently created program that offers protection to farmers who experience drastic drops in crop revenue.

On April 17, the House Education and Workforce Subcommittee on Early Childhood, Youth, and Families will hold a hearing on food safety in the School Lunch Program.

On April 17, the House Agriculture Subcommittee on General Farm Commodities will hold a hearing on NAFTA implementation.

On April 18, the House Government Reform and Oversight Subcommittee on Government Management, Information, and Technology will hold a hearing on the Debt Collection Improvement Act of 1996.

On April 23, the House Agriculture Subcommittee on Forestry, Resource Conservation, and Research will hold a hearing to review the Environmental Protection Agency's proposed air quality standard of PM 2.5 and its implications for agriculture.

On April 23, the House Transportation and Infrastructure Subcommittee on Water Resources and Environment will hold a hearing on the infrastructure needs associated with meeting clean drinking water standards.

On April 24, Secretary Glickman will testify before the Senate agriculture committee on trade issues.

On April 24, the House Agriculture Subcommittee on General Commodities and House Agriculture Subcommittee on Risk Management and Specialty Crops will hold a joint hearing on programs to assist agricultural exports.

On April 24, the House Resources Subcommittee on Energy and Mineral Resources will hold a hearing on the Administration's proposed buyouts of timber and mining lands using Mineral Leasing Act revenue (Headwaters Forest and New World Mine projects in California and Montana, respectively).

On April 24, the House Resources Subcommittee on Forest and Forest Health will mark up pending legislation.

On April 29, the Senate Energy and Natural Resources Committee will hold a hearing on a General Accounting Office report on Tongass Forest planning.

On April 29, the House Transportation and Infrastructure Subcommittee on Water Resources and Environment will hold a hearing on the recent regulatory and judicial developments in wetlands issues.

On April 29, the House Resources Energy and Mineral Resources Subcommittee will hold a hearing on forest health.

VI. SUB-CABINET SCHEDULE

Under Secretary for Natural Resources and Environment Jim Lyons:

- April 19 -- attend opening of Outdoor Information Recreation Center, Seattle, WA.
- April 26 -- attend event with Governor Locke to commemorate the Rattlesnake Ridge land acquisition, Seattle, WA.
- April 28-29, attend American Heritage Rivers events, Los Angeles/San Francisco, CA.
- April 29 -- attend USDA Forest Service civil rights conference, St. Louis, MO.
- April 30 -- tentatively attend Environmental Protection Agency regional administrators meeting, Portland, OR.
- May 2 -- tentatively attend Forest Landowners Association annual Southern Forestry Conference, Williamsburg, VA.
- May 5-7 -- tentatively attend U.S./Mexico Bi-National Commission meetings, Mexico City.
- May 9 -- attend Idaho Governor's conference on recreation and tourism, Pocatello, ID.

Acting Under Secretary for Research, Education, and Economics Catherine Woteki:

- April 17 -- speak at Brookings Institute on "Scientific Research Development In Agriculture," Washington, DC.
- April 21 -- address National Association of Agricultural Journalists on "The Future of Agricultural Research," as part of the national Earth Day observance, Washington, DC.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- April 18 -- participate in National Association of State Departments of Agriculture meeting, Kansas City, MO.
- April 25 -- attend Congressional tour of USDA Animal and Plant Health Inspection Service (APHIS) programs at Dulles International Airport, Washington, DC.
- May 3-4 -- tentatively participate in Food Marketing Institute/National Association of State Departments of Agriculture (NASDA) Export Showcase and meet with NASDA Board of Directors, Chicago, IL.
- May 5-8 -- attend U.S./Mexico Bi-National Commission meetings, Mexico City.
- May 12-16 -- speak to APHIS' International Services regional directors' meeting, The Netherlands.

Acting Chief Information Officer Anne Reed:

- April 17-18 -- attend National Association of State Departments of Agriculture meeting, Kansas City, MO.
- April 21-22 -- attend Electronic Data Systems seminar, Dallas, TX.
- April 28-29 -- attend Gartner Group IT executive program roundtable, Atlanta, GA.
- May 5-6 -- speak at Armed Forces Communications and Electronics Association conference on information technology, Ft. Collins, CO.
- May 12-15 -- address Federation of Government Councils Management of Change Conference, Orlando, FL.

On May 8, the House Agriculture Subcommittee on General Farm Commodities will hold a hearing on Free Trade for the Americas (fast track authority).

On May 14, the House Agriculture Subcommittee on General Farm Commodities will hold an oversight hearing on GATT.

The appropriations subcommittees will conduct hearings on USDA's FY98 budget request as follows:

April 17 -- Senate; forestry programs.

April 17 -- House; forestry programs.

April 22 -- Senate; research, education, and economics programs.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- April 17 -- participate in White House Conference on Early Childhood Development and Learning, Washington, DC.
- April 18 -- participate in Eisenhower Lecture, Wichita State University, and conduct food recovery event and *Wichita Eagle* editorial board meeting, Wichita, KS.
- April 19 -- address farmers' advisory meeting, Odessa, MO, and visit with rural development officials from the town of Sedalia, Blue Springs, MO.
- April 21 -- address Association of Agriculture Journalists, Washington, DC.
- April 22 -- participate in Urban Resources Partnership Earth Day event, Boston, MA.
- April 24 -- participate in tree planting project at a Washington, DC school as part of the President's D.C. Initiative.
- April 27-29 -- participate in President's Summit for America's Future, Philadelphia, PA.
- April 28 -- address National Association of Farm Broadcasters, Washington, DC.
- May 2 -- hold town meeting with Hog Roundtable, Wayne, Sampson, or Dupelin Counties, NC.
- May 5-6 -- participate in U.S./Mexico Bi-National Commission meetings, Mexico City.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- April 18 -- address Alpha Zeta Regional Conference (national agriculture fraternity), Cornell University, Ithaca, NY.
- April 19 -- tour New York Agricultural Experiment Station, Geneva, NY.
- April 22 -- participate in Water 2000 Earth Day event, Springfield, MA.
- April 26 -- attend ceremony releasing exotic Australian weevils as part of Everglades Restoration project, Ft. Lauderdale, FL.

VII. PRESS/MEDIA INQUIRIES

- On April 16, *NBC News* is expected to run part of a series, in which reporters asked about environmentalists being allowed to bid on timber sales and on potentially selling timber sales to organizations that do not intend to harvest the trees.
- On April 18, *ABC's 20/20* is expected to air a segment on an EBT (electronic benefits transfer) food stamp sting and the Lone Star Card in Houston, TX.
- On April 23, Secretary Glickman will be interviewed by *Progressive Farmer* magazine.
- *ABC News* queried about the USDA Market Access Program for a potential story.
- Media and press inquiries have been heavy on the U.S./European Union veterinary equivalency talks.
- *McClatchy Newspapers* is seeking information on the progress of naming the scientific panel being created to review data on the California spotted owl and plans for timber management in the forests of northern California.
- *NBC News* is interested in gathering footage of road construction and active timber sales on national forests.
- *NBC News* interviewed the Kentucky USDA state executive director in Lexington for a future segment on tobacco issues.
- *Wall Street Journal* requested an interview with a USDA official on mislabeling of potatoes.
- *Reuters* contacted USDA regarding a shipment of Brazilian soybeans reportedly bound for the United States. The possibility of imports has affected the bullish U.S. soybean market and is a current issue.
- *The Washington Post* requested import data on frozen vegetables and fruit for an article about proposed regulations concerning country of origin labeling.
- *NBC Dateline* inquired about the San Angelo, TX Evans Meat Company case, in which the meat plant's owners have been fined \$4 million and sentenced to prison following an investigation by several federal agencies.

VIII. FOIA REQUESTS

- *New York Times* requested correspondence and other materials between USDA employees and officials with Harold Ickes, Doug Sosnick, Don Fowler, Marvin Rosen, Richard Sullivan, John Huang, and Terence McAuliffe.
- Idaho's attorney general filed a FOIA request with the Forest Service for lists of names and addresses of any entities or individuals holding leases, permits, or licenses authorizing any activity on National Forest System lands within the state. Both Forest Service regions, based on an USDA Office of General Counsel opinion that names and addresses are protected, are likely to deny the request. The Department of the Interior opinion in this matter, however, is not consistent with the Forest Service.
- On April 2, the National Wildlife Federation (NWF) filed a FOIA lawsuit against the USDA Animal and Plant Health Inspection Service (APHIS) in U.S. District Court in Denver, CO. The NWF noted that federal agencies are required to respond to FOIA requests within 10 days and claimed in the suit it was informed by APHIS the agency had a 15-month backlog of requests. The NWF, according to the *Casper Star Tribune*, plans to use the material it requested to respond to an APHIS proposed rule.
- *NBC News* requested documents involving the Coulston Foundation and the primate care facilities it operates at Holloman Air Force Base and Alamogordo, NM.
- The Predator Project and Wildlife Damage Review have filed a lawsuit under the FOIA against USDA, claiming the Animal and Plant Health Inspection Service is in violation of the FOIA because the group has not been provided with its requested information on the Animal Damage Control program. The FOIA office processes requests on a first in, first out basis. One of the requests that was named in the suit was processed and sent to the plaintiff on July 26, 1996.

IX. WEEKEND CONTACT

- Greg Frazier
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May 14, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of May 12, 1997

I. KEY DEPARTMENT NEWS

Congressional Attention Urged For WIC Program: Prior to House consideration of the supplemental appropriations bill on May 13, Secretary Glickman and Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keefe joined a press conference on Capitol Hill with Democratic Members, including Reps. Carson, deLauro, Menendez, and Velazquez, where they urged an amendment to take politics out of the program. There was considerable media attendance at the event.

USDA Helps Troubled Potato Industry: To help alleviate the problems facing the potato industry, USDA announced May 9 that it will pay potato growers to divert 1996-crop fresh Irish round white and russet potatoes to food recovery and feeding programs or for use as livestock feed.

Dairy Update: USDA released its first *Cheddar Cheese Prices* report May 9, which featured nine weeks of wholesale cheddar cheese prices and sales volumes. The Department will use the monthly changes in 40 lb block prices to replace the National Cheese Exchange price previously used in the formula for determining the Basic Formula Price for milk in response to congressional and producer concerns.

With milk and cheese prices still falling, USDA may buy cheddar cheese and nonfat dry milk under the price support program within the next several weeks.

Under the Dairy Export Incentive Program, USDA approved 636 tons of nonfat dry milk and 105 tons of anhydrous milkfat for the Caribbean, Central, and South America; 391 tons of nonfat dry milk, 1,080 tons of cheddar cheese, and 32 tons of whole milk powder to Africa and the Middle East; and 800 tons of nonfat dry milk to Asia and the Former Soviet Union.

In related news, the Louisiana House of Representatives approved a bill to permit the state to join with other southeastern states to form a Southeast Interstate Dairy Compact. Louisiana is the first of the 15-state group attempting to develop a compact to set minimum milk prices in the Southeast. The compact, patterned very closely after the Northeast Interstate Dairy Compact, must be approved by the other state legislatures and Congress.

Disaster Assistance Update: USDA has purchased over 223,000 lbs of cheese and about 442,000 lbs of canned and frozen meats, juice, fruits, vegetables, and other foods thus far this month to assist Midwest disaster victims. Another 330,000 lbs of food is scheduled for delivery soon to the disaster areas in Minnesota, North Dakota, and South Dakota.

Hay Stocks Reach Lowest Level In 32 Years: Stocks of all hay on farms totaled 17.4 million tons May 1, down 16 percent from the same period last year and the lowest May 1 stocks in 32 years, caused by a 3 percent decline in 1996 hay production and one of the harshest winters on record in the upper Midwest.

USDA Research Shows Benefits Of Vitamin E: USDA issued a news release May 6 stating that a Department study shows an extra 200 milligrams of vitamin E every day can help reduce infections in older people. *NBC Nightly News* ran a story on May 6.

Trade Developments: Prospects for increased U.S. pork exports to Brazil appear good following reduced availability of slaughter hogs in Brazil, which has caused higher prices.

Venezuelan officials report that imports will no longer be prohibited from countries with Pork Respiratory and Reproductive Syndrome, opening a market for the United States and others that had been closed since August 1993.

Under the P.L. 480 credit assistance program, Jordan purchased 110,000 tons of hard red winter wheat on May 2.

Secretary Glickman met with Ukraine Agriculture Minister Mykhailo Zubets May 14 to discuss agricultural credits, technical assistance, and establishment of an agricultural committee as part of the Gore-Kuchma Commission. USDA approved arrangements May 1-2 for 10,000 tons of soybeans to be shipped to the Ukraine and signed a Food for Progress agreement with International Orthodox Christian Charities providing 2,225 MT of red beans, rice, vegetable oil, and wheat flour which will be distributed to needy populations in the Republic of Georgia.

Youth Financial Planning Program Continues: On May 16-17, USDA and Cooperative Extension System educators from 40 states and the District of Columbia will participate in a national meeting in Colorado Springs, CO, to discuss the High School Financial Planning Program. The program, renewed through an agreement between USDA and the National Endowment for Financial Education, reaches over 100,000 youth in every state with basic financial planning for everyday life.

Tuition Grants Awarded For Outstanding Students: USDA announced May 1 the award of 24 Multicultural Scholars grants totaling over \$1.9 million to provide tuition assistance for land-grant institutions to 104 outstanding students from racial and ethnic groups currently under represented in the food and agricultural sciences.

USDA Awarded Information Technology Contract For FAA: Secretary Glickman announced May 13 that the USDA National Information Technology Center (NITC) in Kansas City, MO has been awarded a contract worth up to \$250 million to provide information technology services for the Federal Aviation Administration (FAA). Under the contract, known as the Integrated Computing Environment — Mainframe and Network, NITC will establish a system that combines the center's expertise in information management technology with hardware, software, and technical support services to support the FAA's administrative information systems.

Program Promotes Local Produce In Florida School Lunch Program: Through a cooperative agreement signed April 29, USDA is working with the West Florida Conservation and Development Council and Florida A&M University on a project regarding opportunities for limited-resource producers to supply Florida's school lunch program with local produce.

Computers Provided To Bosnian Veterinary School: The veterinary school in Bosnia was destroyed during the war, and USDA is providing four computer systems to aid in the reconstruction of learning tools available to studying veterinarians in Bosnia. The U.S. Army will arrange for delivery of the computers to Bosnia.

Looting Sentences Announced: On May 20, the U.S. Attorney and the Manti-LaSal Forest supervisor will hold a press conference in Salt Lake City, UT to announce sentences of nine individuals for looting Polar Mesa Cave in the LaSal Mountains. The cave is a valuable archaeological site and was occupied by Native Americans periodically from about 7,500 years ago to 700 years ago. Some of the individuals, all of whom pled guilty, have received prison sentences and fines to cover the cost of repatriating human remains. This is believed to be the largest Archaeological Resources Protection Act case in the history of the Forest Service.

Sawtooth Grazing Decision Reached: The Sawtooth National Forest supervisor decided May 6 to re-start the process for modifying the 1995 Uniform Action Guide for the Forest, based on concerns expressed by the Idaho congressional delegation, permittees, and the public. The forest supervisor requested the regional forester appoint a review team to assist the Forest in evaluating and developing a Uniform Action Guide that will meet the objectives of restoring, protecting, and managing the rangeland resource. The Forest will utilize the 1995 Action Guide for current implementation.

Agricultural Markets in Review: For the week ending May 9, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	4.53/bu	-0.16	-2.60
Corn \$/bu	2.88/bu	-0.05	-1.97
Soybeans \$/bu	8.88/bu	+0.10	+0.79
Rice \$/cwt	12.22/cwt	0	+2.82
Cotton ¢/lb	68.62/lb	-0.92	-16.75
Steers \$/cwt	68.42/cwt	+0.77	+7.11
Hogs \$/cwt	56.85/cwt	-0.55	+1.20
Broilers ¢/lb	60.22/lb	+0.64	+0.75
Cheese \$/lb	1.15/lb	0	-0.34
Butter \$/lb	0.81/lb	0	+0.02

USDA's May 12 *Crop Production and World Agricultural Supply and Demand Estimates* reports showed 1997/98 U.S. winter wheat production at 1.56 billion bushels, 6 percent above the 1996 production of 1.478 billion bushels. The corn crop is projected at 9.84 billion bushels, up from last year and second only to the 10.1 billion bushel crop in 1994/95. Milk production is projected to increase about 1 percent as higher output per cow more than offsets a reduction in cow numbers.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

Food Safety Update: Secretary Glickman and Food Safety and Inspection Service (FSIS) Administrator Tom Billy joined the Vice President May 12 for the announcement of a five-point plan to significantly increase the safety of the nation's food supply. Extensive media coverage included *ABC*, *NBC*, *CBS*, *CNN*, and all wire services.

In related news, the Florida legislature reduced FY97-98 state funding by half for the Cooperative Meat Inspection Program. The state is working on a proposal to maintain its state program at a level deemed equal to the federal meat inspection program. If the state cannot propose an acceptable alternative, FSIS would assume authority over inspection.

Welfare Reform Update: During the period of May 7-May 13, USDA issued no new waivers to exempt provisions in the welfare reform bill, which limits food stamp program participation to three months in any 36-month period for able-bodied adults without dependents between ages 18-50 unless the individuals are employed an average of 20 hours per week or are participating in a work program. For the previous period of April 30-May 6, waivers were

approved from Vermont to exempt the Newport Social Service District (one of nine districts included in the state's request), and from Washington state to exempt individuals residing in additional areas.

The first meeting of the interagency Welfare Reform, Nutrition, and Data Needs Working Group met May 8 in Hyattsville, MD, where members discussed food security questions and expressed interest in nutrition monitoring programs and how they address the impact of welfare reform on the nutritional and health status of the country.

National Performance Review Update: The Humboldt-Toiyabe National Forest in Nevada, the Nevada Biodiversity Initiative, and the Nevada Division of Water Planning have received one of only two Innovation Fund Awards granted to USDA by the National Performance Review to fund a collaborative project in the northern Sierras. The project, Information Integration for Watershed Protection and Risk Assessment, is designed to compile relevant information for three watersheds into a Geographic Information System format and conduct preliminary analyses of risks of fire and soil erosion that might occur as a result of existing land uses and ecological processes. This information will facilitate national forest planning in the area, as well as contribute to planning efforts of other agencies and organizations.

Empowerment Zone/Enterprise Community Update: The Scott-McCreary Area Enterprise Community in Kentucky will benefit from a \$150,000 USDA loan to fund a new tanker truck and an addition for South McCreary County Fire and Rescue Inc.

III. NOTABLE CONGRESSIONAL ACTIVITY

Congressional Hearings: May 15 -- Senate Energy and Natural Resources Subcommittee on Forests and Public Land Management and the House Resources Subcommittee on Forests and Forest Health on release of the Columbia River Basin Ecosystem Management Project.

May 15 -- Senate Finance Subcommittee on International Trade on European Union trade equivalency.

May 15 -- House Agriculture Subcommittee on Livestock, Dairy, and Poultry regarding USDA's progress in implementing the dairy reforms in the Federal Agriculture Improvement and Reform Act of 1996.

May 20 -- House Resources Subcommittee on Energy and Mineral Resources on energy and mineral issues raised by the New World Mine and Headwaters Forests proposed buyouts.

May 20 -- House Agriculture Subcommittee on Forestry, Resource Conservation, and Research to review financing of National Forest roads.

June 18 -- Secretary Glickman testifies, House agriculture committee, trade issues.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- May 21 -- National Teleconference on Food Security with Secretary Albright, Washington, DC.
- May 27-30 -- personal leave.
- June 5-6 -- staff retreat.
- June 12 -- Food Safety Education Conference, Washington, DC.
- June 16 -- European Union Agriculture Commissioner Franz Fischler and delegation, Washington, DC.
- June 19-22 -- International Grain Council Conference, London.
- June 23-24 -- G-7 Summit, Denver, CO.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- May 15 -- American Farm Bureau Federation national affairs coordinators, Washington, DC.
- May 24 -- Grand Marshal at Mule Days Celebration, Bishop, CA.
- May 29 -- American Federation of Grain Millers International Union, Washington, DC.
- June 5-6 -- staff retreat.

VI. SUB-CABINET SCHEDULE

Under Secretary for Natural Resources and Environment Jim Lyons:

- May 19 -- Wildlife Habitat Council, Atlanta, GA.
- May 20 -- American Forest and Paper Association spring legislative conference, Washington, DC.
- May 23 -- Defenders of Wildlife board meeting, Jackson Hole, WY.
- May 27-28 -- Colorado Ski Country Conference and National Ski Areas Association meeting, Colorado.
- June 7 -- Philadelphia Urban Resources Partnership Community Conference, Philadelphia, PA.
- June 9-12 -- Great Outdoors Week, Washington, DC.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- May 19-22 -- Screwworm and U.S. Commission for the Prevention of FMD (COPFA) meeting, Panama.
- June 2 -- National Association for Biomedical Research Legislative Conference, Washington, D.C.

Acting Under Secretary for Research, Education, and Economics Catherine Woteki:

- May 20 -- tour USDA agriculture facilities, Clay Center, NE.

- May 28-30 -- facilities review task force meeting, Ames, IA.

Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe:

- May 24 -- National Association of WIC Directors meeting, San Francisco, CA.

Acting Assistant Secretary for Administration Pearlje Reed:

May 20-21 -- USDA Labor Management Partnership Council Training, New Carrollton, MD.

Acting Chief Information Officer Anne Reed:

May 20 -- General Services Administration Information Technology Exchange/Broadcast, Washington, DC.

June 12 -- Industry Advisory Council Symposium, Washington, DC.

June 19 -- "A Leadership Forum for Women with Disabilities," Washington, DC.

Acting Chief Financial Officer Ted David:

- June 22-26 -- Association of Government Accounts professional development conference, Phoenix, AZ.

VII. PRESS/MEDIA INQUIRIES

- On May 15, Secretary Glickman will be interviewed by *KSNT-TV* (Topeka, KS *NBC* affiliate) on general agriculture issues.
- On May 16, Secretary Glickman will be interviewed by *USA Today* on the 1996 farm bill.
- *NBC Nightly News* is working on a story on the Department's information technology budget.
- *ABC News* covered the May 14 House hearing on information technology.
- *The American Environmental Review* interviewed a USDA official about ethanol for a program to air on the *Public Broadcasting Service*.
- *ABC Good Morning America* is doing a story on the mosquito repellants at the USDA Agricultural Research Service laboratory in Gainesville, FL.
- *Associated Press* is working on a story about timber sales bought by the Boise Cascade Corporation on Idaho's Payette National Forest and a lawsuit filed by the Idaho Sporting Congress related to Freedom of Information Act requests.

VIII. FOIA REQUESTS

No significant FOIA requests to report.

IX. WEEKEND CONTACT

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May 21, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of May 19, 1997

I. KEY DEPARTMENT NEWS

- **USDA Moves Ahead On Conservation Programs:** Secretary Glickman announced May 20 the publication of final rules for USDA's new Environmental Quality Incentives Program (EQIP), making long-term conservation contracts and funding available to farmers and ranchers to improve the environmental health of the nation's farm and ranch land. EQIP will help address pressing natural resource concerns, including soil erosion, water quality and quantity, wildlife habitat, wetlands, and grazing lands. With an annual budget of \$200 million authorized through 2002, EQIP is the Department's largest conservation program designed to conserve and improve land while it remains in agricultural production.

On May 22, the Secretary will hold a news conference to announce final results of the Conservation Reserve Program, including an audio bridge for farm broadcasters and regional reporters, followed by a constituent briefing.

- **Secretary Participates In Anti-Hunger Meeting:** Secretary Glickman addressed participants in the National Consultations on Food Security May 21, praising the consultations as an excellent foundation on which to build a long-term plan of action for the United States on food security. The consultations were held at 15 sites around the country, including Washington, DC. USDA Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe led the Domestic Food Panel discussion with panelists from anti-hunger groups.
- **USDA Appointments To Be Announced:** On May 23, Secretary Glickman will hold a media availability to announce appointment of the new Farm Service Agency Administrator, including White House announcements for USDA Under Secretary for Food, Nutrition, and Consumer Services and USDA Under Secretary for Food Safety.

- **Tongass Land Management Plan Completed:** On May 23, Alaska Regional Forester Phil Janik is expected to sign the Record of Decision for the Tongass Land Management Plan (TLMP), which will guide all natural resource activities associated with the Tongass National Forest in Alaska for the next 10-15 years as stipulated under the National Forest Management Act. TLMP will provide sustainability of the resources of the Tongass while directing the coordination of multiple uses, such as outdoor recreation, tourism, wildlife and fish, watershed, and wilderness. Interagency, Congressional, state, and constituency briefings will be conducted May 22 and 23.
- **Forest Service Accused Of Hiding Documents:** Idaho environmentalists are accusing Forest Service officials of hiding surveys of timber stands on the Grade Dukes Timber Sale on the Payette National Forest, the result of Freedom of Information Act (FOIA) request submitted by the Idaho Sporting Congress (ISC) in 1995. ISC, which is appealing this timber sale, states that the Intermountain Regional Forester responded that no records were available, but claims to have found the records while combing through 11,000 pages of court documents. The requested timber surveys may have been submitted to ISC in an August 1996 FOIA.
- **Civil Rights Update:** As of April 1, 62 USDA employment cases have been closed, with five dismissals, one canceled litigation, 37 negotiated settlements, nine decisions with findings of discrimination, and five negotiated settlements. Many cases are in the process of dispute resolution with proposals having been mailed to complainants. As of May 16, there were 192 open employment complaints as compared to 1,509 the week before. USDA's civil rights hotline is remains fully operational.
- **USDA Continues Assistance To Potato Industry:** Sign-up will begin May 29 and last for 60 days at local Farm Service Agency offices for the recently approved Potato Diversion Program, to assist farmers across the country faced with a surplus of potatoes and low prices. The program will pay potato growers for diverting surplus potatoes to charitable organizations and as livestock feed. The diversion payment rates are expected to be \$1.50 per cwt for charitable contributions and \$0.75 per cwt for livestock feed. The Department will pay for shipment of charitable diversions and the producer will pay for shipment to livestock feeders.
- **Secretary Babbitt To Tour Arkansas Wild And Scenic River:** On May 28, Secretary Babbitt will tour the National Wild and Scenic Buffalo River near Harrison, AR. About 15 miles of the river runs through the Ozark National Forest with the National Park Service managing the remainder of the river.

- **Disaster Update:** On May 20, appropriations committee conferees met to resolve differences between the House and Senate versions of the disaster supplemental legislation. The principal issue for USDA is the proposed \$20 million cut in the Fund for Rural America. Secretary Glickman sent a letter May 20 to each conferee, urging that the money in this program be restored. Negotiators hope to pass the conference report and transmit it to the President before the Memorial Day recess.

In Minnesota, field work progresses with another week of mostly dry, cool weather, but crop development remains slow. In East Grand Forks, only two of five schools are available for next fall with repairs to schools expected to exceed \$9 million. Main line power feeds have been restored, gas service is available in all service zones, and telephone line repair and restoration continues. The public health service is conducting well testing and decontamination operations. Disaster recovery centers are scheduled to close May 23-25, except for one in East Grand Forks.

In North Dakota, excellent drying weather accelerated planting progress. Substantial progress was made on small grain seeding, but planting remains well behind five-year averages. About 26 percent of pastures remain dormant, and warmer weather and rain are needed to get pastures growing in many areas. Pastures were 91 percent open for grazing, compared to 88 percent last year. Fifty percent of cattle and 54 percent of sheep continue to receive supplemental feed.

Rivers across North Dakota are falling, but Devils Lake continues to cause problems with rising water caused by melting snow. About 20,000 people live in the Devils Lake area and could be affected by the rising waters. About 3,200 customers remain without power; 9,200 without natural gas. Nearly 5,200 businesses have been destroyed, damaged, or affected by the storms or floods. Shelter numbers continue to fall as more evacuees secure lodging in the dormitories of the University of North Dakota at Grand Forks.

In South Dakota, farmers and ranchers have made good progress in spring planting, but are still 11 percent behind the five-year average for corn planting. Some alfalfa acreage has been affected by winter kill, and farmers are reseeded. Livestock conditions are rated mostly good. Calving is 86 percent completed and lambing 82 percent completed. USDA is shipping six truckloads of canned and frozen meat for Red River Valley flood victims.

In response to tornados in Arkansas and flooding in Ohio, USDA has obligated \$2.5 million total in disaster funds for constructing new rural rental units in Arkadelphia, AR and New Richmond, OH. In addition, Nevada and South Dakota will receive nearly \$300,000 in Department funds to help complete leveraged deals.

- **Dairy Update:** The April milk production estimate, released May 16, was up 0.8

percent from the previous year. In the 20 monthly reporting states, the number of cows was down 1.1 percent from a year ago and output per cow increased 1.9 percent. Milk production in 1997/98 is projected to increase 1 percent as higher output per cow offsets a reduction in cow numbers. Prices are expected to recover from current weakness later this year and for 1997/98 the all milk price is projected to average near to higher than the anticipated level for 1996/97. The USDA U.S. average price for 40 lb blocks of cheddar cheese for the week ending May 9 was \$1.1625 per lb, down 2 cents per lb from the previous week.

Mid-America Dairymen Inc. announced May 8 that four of the largest dairy cooperatives (Associated Milk Producers Inc.; Mid-America Dairymen Inc.; Milk Marketing Inc.; Western Dairymen Cooperative Inc.) have agreed to continue discussions that could lead to the formation of a new dairy cooperative that would market about 25 percent of the nation's milk. In 1996, the four organizations marketed more than 42.5 billion lbs of milk for their 27,300 dairy farmer-owners, with total sales at \$8 billion.

- **Trade Developments:** The U.S. Ambassador met May 5 with Chile's Minister of Agriculture to review conditions for U.S. wheat imports. Since Chile does not recognize USDA regulated areas for the Karnal bunt wheat disease, concerns remain about new testing methods that Chile may use.

India removed the ad valorem duty option for almond imports on May 7, a major victory for the U.S. almond industry.

Mexican quarantine officials enacted a new regulation May 7 prohibiting sorghum imports from Texas, and requiring USDA to certify U.S. sorghum imports from other origins as being free of ergot. USDA officials are addressing the concerns over certifying sorghum as being free of three specific ergot species.

- **WIC Program's Immunization Successes Recognized:** In one year's time, the USDA Women, Infants, and Children (WIC) program's immunization promotion efforts in three major cities resulted in an increase of almost 10 percent in immunization coverage rates for two-year-old children. These findings were reported May 6 by Center for Disease Control National Immunization Program Director Walter Orenstein in his testimony before the Senate Subcommittee on Public Health and Safety. WIC is the largest single point of access to health-related services for low income preschool children, and efforts to tap this potential are proving to be highly successful. According to CDC data, WIC refers about 75 percent of all children in need of immunization to local health care providers.
- **USDA Chief Information Officer Presented Award:** Acting Chief Information Officer Anne Reed was presented the President's Award, "Government Executive of the Year,"

by the Federation of Government Information Processing Councils' (FGIPC) at their annual conference May 12-15 in Orlando, FL. Each year, FGIPC presents two President's Awards for information technology leadership -- one for the public sector and one for the private sector.

- **Agricultural Markets in Review:** For the week ending May 16, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	4.54/bu	+0.01	-2.60
Corn \$/bu	2.86/bu	-0.02	-2.21
Soybeans \$/bu	8.67/bu	-0.21	+0.53
Rice \$/cwt	12.22/cwt	0	+2.82
Cotton c/lb	69.61/lb	+0.99	-13.03
Steers \$/cwt	68.38/cwt	-0.04	+8.44
Hogs \$/cwt	59.80/cwt	+2.85	+0.60
Broilers c/lb	59.37/lb	-0.20	-0.24
Cheese \$/lb	1.17/lb	+0.02	NA
Butter \$/lb	0.81/lb	0	-0.02

The week ending May 16, wheat prices rose on heavy flour mill demand, while new-crop futures declined on an improved outlook for crops in Western Europe and Australia. Corn prices slipped again, as farmers continued to make rapid planting progress. Rice futures prices surged following USDA's May 12 *World Agricultural Supply and Demand* report. Soybean prices declined as U.S. exports and crush weakened and the export pace from South America quickened.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Helping Native Americans:** On May 22, USDA will host the American Indian/Alaska Native Corporation Procurement Opportunities Conference and Exhibition at USDA headquarters, Washington, DC.
- **Welfare Reform Report:** From May 14 to May 20, the Food Stamp Program issued no new waivers to exempt individuals from the provisions in the welfare reform bill, which limits food stamp program participation to three months in any 36-month period for able-bodied adults without dependents between the ages 18-50 unless the affected individuals are employed for an average of 20 hours per week or are participating in a

work program. In total, USDA has received requests from 42 state agencies to waive these provisions. A request is currently under evaluation for a Native American reservation in Wyoming.

- **USDA To Request Telecommunications Research Grant Proposals:** Consistent with the Administration's support for expanding information technology, USDA will request proposals in late May or early for telecommunications research grants, with \$2.3 million in available funding.
- **Homeownership Update:** The USDA Rural Development mission area has encouraged State Directors to celebrate the National Partnership for Homeownership's National Homeownership Week, June 7-14 by granting administrative leave for one day to any employee who wishes to do construction on a USDA-financed self-help home. Under Secretary for Rural Development Jill Long Thompson participated in a low-income housing event in Maryland with Senator Sarbanes on May 19, and Rural Development officials will participate in various events in several states in June.
- **Enterprise Zones/Empowerment Communities Update:** On May 14, the North Carolina Department of Commerce held a meeting to hear progress reports from the three designated Enterprise Communities (two rural).

A Champion's Forum was held May 15 in Morehead, KY, which provided participants an opportunity to obtain the latest information on the availability of resources and the status of the empowerment program and its future. Kentucky has 10 Champions and shares three other Champions with the border states of Tennessee, Ohio, and Virginia.

- **President's Northwest Forest Plan:** The Forest Service Pacific Southwest Region awarded \$1.8 million in community assistance grants on May 21 as part of the President's Northwest Forest Plan rural community assistance. In addition, \$600,000 will be made available to the California Department of Trade and Commerce for loans to businesses in the Northwest Forest Plan counties of northern California. A \$500,000 rural development grant will be made in Hawaii and \$200,000 in grants will be made to counties in the Cascades and Sierra Nevada, outside the Northwest Forest Plan area of California.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Hepatitis A Outbreak Update:** At the request of Senator Abraham, the Senate agriculture committee plans to hold a hearing on June 5 to determine whether USDA, Food and Drug Administration, and Centers for Disease Control procedures are adequate to ensure the safety of school children.
- **Hearing Held On Information Technology:** The House Agriculture Subcommittee on Departmental Operations held a hearing on May 14, focusing on USDA's information

technology (IT) acquisition procedures. Acting Chief Information Officer Anne Reed testified that the Department is in the process of centralizing and strengthening its IT acquisition procedures to ensure that systems are integrated to the greatest extent possible. In the Senate, Agriculture Committee Chairman Lugar plans to introduce legislation to revamp USDA's existing IT purchase programs. to discuss our concerns regarding the proposed bill. Subcommittee Chairman Goodlatte indicated a cut in the FY98 USDA IT budget is likely. The General Accounting Office recommended additional hearings by the Subcommittee as one of the ways for holding USDA accountable.

Congressional Hearings:

- June 5 — Senate Committee on Agriculture, Nutrition, and Forestry, Hepatitis A outbreak issues.
- June 18 -- Secretary Glickman testifies, House agriculture committee, trade issues.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- May 27-30 -- personal leave.
- June 3-- National Cotton Council conference, Washington, DC.
- June 5-6 -- staff retreat.
- June 12 -- Food Safety Education Conference, Washington, DC.
- June 16 -- European Union Agriculture Commissioner Franz Fischler and delegation, Washington, DC.
- June 19-- Congressional Hispanic Caucus, Washington, DC.
- June 19-22 -- International Grain Council Conference, London.
- June 23-24 -- G-7 Summit, Denver, CO.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- May 23 -- M.R.C. Greenwood inauguration as chancellor, Santa Cruz, CA.
- May 24 -- Grand Marshal at Mule Days Celebration, Bishop, CA.
- May 29 -- American Federation of Grain Millers International Union, Washington, DC.
- June 5-6 -- staff retreat.
- June 12-- Western Drought Coordination Council, Albuquerque, NM.
- June 13-- Malpai Borderlands, NM.
- June 21-- USDA Agricultural Research Service laboratory groundbreaking, Ft. Pierce, FL.

VI. SUB-CABINET SCHEDULE

Under Secretary for Natural Resources and Environment Jim Lyons:

- May 23 -- Defenders of Wildlife board meeting, Jackson Hole, WY.
- May 27-28 -- Colorado Ski Country Conference and National Ski Areas Association

meeting, Colorado.

- June 7 -- Philadelphia Urban Resources Partnership Community Conference, Philadelphia, PA.
- June 9-12 -- Great Outdoors Week, Washington, DC.
- June 14 -- Urban Resources Partnership event, Chicago, IL.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- May 28-29 -- Concentration forum with Sen. Harkin, Sioux City, IA.
- June 2 -- National Association for Biomedical Research Legislative Conference, Washington, D.C.
- June 16-17 -- USDA Animal and Plant Health Inspection Service leadership training, Atlanta, GA.

Acting Under Secretary for Research, Education, and Economics Catherine Woteki:

- May 28-30 -- facilities review task force meeting, Ames, IA.

Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe:

- May 24 -- National Association of WIC Directors meeting, San Francisco, CA.

Acting Chief Information Officer Anne Reed:

- June 12 -- Industry Advisory Council Symposium, Washington, DC.
- June 19 -- "A Leadership Forum for Women with Disabilities," Washington, DC.

Acting Chief Financial Officer Ted David:

- June 22-26 -- Association of Government Accounts professional development conference, Phoenix, AZ.

VII. PRESS/MEDIA INQUIRIES

- On May 19, Secretary Glickman gave interviews on the balanced budget agreement to *Northwest Agricultural Information Network*, *Rocky Mountain News*, *Colorado Farm-Ranch Network*, and *Billings Gazette*.
- On May 23, Secretary Glickman will be interviewed by Orion Samuelson for *Channel Earth*.
- *CBS 48 Hours* continues to inquire about the USDA process for recalling ground beef sampled for *E. coli O157:H7* and confirmed positive for the bacteria, for a program expected to run in the fall in which it will track foodborne illness through the government agencies that regulate food safety.
- *CNN* is in the research stage of a story on salmonella in eggs.
- *NBC News* plans to visit the Forest Service Southern Region's coastal plains in late May to videotape a prescribed fire and the backfire techniques used to stop runaway blazes,

for part of a story for the western fire season.

- *Time* is interested in USDA's Market Access Program.
- *National Journal* is preparing an issue featuring 100 "behind the scenes" government employees.
- *New York Times* is scheduled to run a story on roads and road building in the national forests.
- *The Washington Post* queried about the Federal Aviation Administration contract (known as the "ICE-MAN"), which USDA awarded to the National Information Technology Center in Kansas City.
- In her February *Washington Post* article on American eating habits, Carol Sugarman asked her readers to send a description of what they ate in the course of a day and received over 3,000 responses. As a follow-up to the article, she is expected to ask USDA nutritionists for a response to the respondents' overall dietary habits.
- *USA Today* is researching timber road purchaser credits in the Pacific Northwest.
- *Bloomberg News* requested recent USDA executive summaries.
- *Wall Street Journal* requested USDA executive summaries of audit reports completed in April.
- *National Public Radio* requested statistics on the amount of tobacco exported by the United States and to which countries.
- USDA continues to get inquiries about testing for bovine spongiform encephalopathy (BSE) in the United States.

VIII. FOIA REQUESTS

- No significant FOIA requests to report.

IX. WEEKEND CONTACT

- Greg Frazier
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May 28, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of May 26, 1997

I. KEY DEPARTMENT NEWS

- **Civil Rights Update:** USDA is moving ahead on clearing program and employment complaints. As of May 21, 281 draft decisions have been written out of the total backlog of 699 USDA program complaints. The Department is close to finalizing an agreement with five Arkansas complainants concerning a large disaster benefit payment and is working to provide a resolution offer to four major complainants on loan cases.

USDA Farm Service Agency outreach staff participated in a May 14-15 agricultural conference at Ohio State University, focusing on Department initiatives for use by limited resource farmers.

- **Disaster Assistance Update:** Tentative conferee agreement on the FY97 supplemental provides sufficient levels of funding for the Emergency Conservation Program, the Emergency Watershed Program, and water and sewer loans and grants to meet emergency needs; \$76 million for the Women, Infants, and Children (WIC) program (the Administration's latest estimate); additional funding for direct and subsidized farm operating loans and emergency farm loans; \$50 million from the sale of grain in the disaster reserve to implement a livestock indemnity program; and \$9 million for a tree assistance program. These additional amounts are partially offset by reductions in the Fund for Rural America, the Temporary Food Assistance Program, the Export Enhancement Program, and export credit guarantees.

In North Dakota, a USDA survey indicates 123,000 head of cattle died, over 400,000 bu of stored wheat and barley were lost, and \$27.2 million in building damages.

USDA continues to aid recovery efforts in the Red River Valley, with five truckloads of canned fruit, meat, cheese, and juice to be shipped soon to Mendota Heights, MN and Fargo and Grand Forks, ND shelters and feeding centers. As of May 22, USDA's Kansas City commodities office has sent nearly 747,000 lbs of canned and frozen foods to the two states; another 329,000 lbs will be shipped within the next week.

Iowa and Wyoming producers, along with those in contiguous counties in Colorado, Montana, Nebraska, and South Dakota, are now eligible to apply for emergency loans for physical losses due to heavy blizzards and snows in April.

- **WIC National Breastfeeding Week To Be Held:** On May 23, Secretary Glickman signed a proclamation declaring August 1-7 as Women, Infants, and Children (WIC) National Breastfeeding Week.
- **Unusual Dioxin Levels Found In Poultry:** USDA, with other federal agencies, is investigating the cause and extent of higher than normal dioxin levels found in two of 78 samples of poultry from Arkansas and Texas in an Environmental Protection Agency (EPA) survey.

In related news, a few flocks of table egg layers in Pennsylvania tested positive this month for a non-pathogenic strain of Avian influenza. On May 16, the Pennsylvania Department of Agriculture issued a quarantine to cover all layers within a five-mile radius of the positive flocks north of Lancaster. Although this outbreak is not nearly as severe as the Avian influenza outbreak that decimated the Pennsylvania poultry industry in the late 1980s, three producers have already destroyed about 275,000 layers.

- **Memorial Service Held For Oklahoma City Bombing Victims:** The Oklahoma Department of Agriculture held a service in Oklahoma City on May 22 to dedicate a memorial to the Oklahoma City bombing victims, at which USDA Area Veterinarian in Charge Brian Espe presented survivor elm seedlings to Governor Keating and Oklahoma Agriculture Commissioner Dennis Howard.
- **USDA To Participate In Olympic Spirit Garden Dedication:** On June 6, Forest Service, National Forest Foundation, and Jewish National Fund officials will gather to dedicate the Olympic Spirit Garden at the Ocoee Whitewater Center on the Cherokee National Forest. The garden at the site of the 1996 Olympic whitewater competition will feature a memorial rock to pay special tribute to the 11 Israeli athletes who were murdered during the 1972 Olympic Games in Munich.

- **Crop Insurance Shifted To Private Agents:** Secretary Glickman announced May 23 that crop insurance will be available exclusively through private insurance agents beginning in the 1998 crop year, pursuant to the 1996 farm bill. Coupled with the Secretary's decision one year ago transferring crop insurance delivery to the private sector in 14 states, this completes privatization of crop insurance delivery nationally.

In related news, the Federal Crop Insurance Corporation board of directors will meet May 29 to decide on proposals for new crop insurance pilot programs and expansion of current revenue insurance programs for almonds, pecans, sweet potatoes, and wheat.

- **Rural Development Update:** Arkansas, Indiana, Ohio, and Vermont are the first states to utilize the new USDA community facilities grant program. South West Arkansas Community Development will receive a \$15,000 grant and \$65,250 loan for a new child care center. USDA awarded Indiana's Lincoln Hills Development Corporation a \$49,000 grant and \$301,000 loan to expand a building for providing services to low-income citizens. Monroe County, OH will receive a \$108,000 grant and \$488,000 loan for a senior citizens center and other local government offices. North East Kingdom Community Action Inc. of Lyndonville, VT was awarded a \$10,000 grant and \$126,000 loan for a facility to house a Head Start program.
- **Oklahoma Begins EBT Pilot:** Oklahoma began an Electronic Benefits Transfer (EBT) pilot May 20 for food stamp and Aid to Families with Dependent Children clients in Oklahoma County and plans to complete statewide conversion in January 1998.
- **Assistance Continues For Potato Industry:** On May 29, USDA will announce that it plans to pay potato growers to divert 1996 crop fresh Irish potatoes to charitable institutions and livestock feed. The potato diversion program will run 60 calendar days and acceptance will be based on the number of requests and the availability of funds.

In related news, U.S. potato stocks totaled 101 million cwt on May 1, up 32 percent from the previous year and 15 percent above two years ago, contributing to the decline in grower prices, which are expected to continue downward. This trend continues to generate considerable congressional and public interest.

- **North Dakota Group Falls Short In Plans To Build Cattle Plant:** Northern Plains Premium Beef, a cattlemen-owned cooperative in Mandan, ND, fell short of selling 250,000 shares of stock needed by June 1 to proceed with selecting a site and building a plant that would have employed 125 people. Members had hoped to raise \$30 million to build a plant and market branded-beef products, a project that had received considerable public and media attention.

- **Financial Literacy Program Launched:** USDA representatives participated in a May 22 press conference to launch the Jump\$tart Coalition for Personal Financial Literacy, a national effort to promote personal finance education from kindergarten through grade 12. The Jump\$tart Coalition, with USDA as a partner, promotes programs such as the High School Financial Planning Program, which reaches over 100,000 youth annually in every state.
- **Mandela Trade Scholar Visits USDA:** One of the first Mandela Scholars, a University of Arkansas agricultural economics graduate student, visited USDA headquarters in Washington, DC May 14-15.
- **Trade Developments:** From October 1996 to March 1997, U.S. agricultural exports to Canada increased by 11 percent and to the Russian Federation by 9 percent compared to the same period last year.

Of concern to U.S. beef exporters, Japan announced its intent to test imported beef for 14 substances, now including *E. coli*.

On May 15, USDA announced an agreement with Suriname for the purchase of \$2.5 million of U.S. vegetable oil.

In dairy export developments, from May 16-21, USDA approved a total of 4,132 metric tons of nonfat dry milk to Asia and the former Soviet Union, 1,054 tons to the Caribbean, Central, and South America, and 17 tons to Africa and the Middle East. The Department approved 59 tons of whole milk powder and 20 tons of mozzarella cheese to the Caribbean, Central, and South America, and 13 tons of mozzarella cheese to Africa and the Middle East.

On May 21, USDA increased the total FY97 GSM-102 credit guarantee allocation for sales to Turkey from \$180 million to \$300 million.

- **Agricultural Markets In Review:** For the week ending May 23, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	4.53/bu	-0.01	-2.45
Corn \$/bu	2.78/bu	-0.08	-2.26
Soybeans \$/bu	8.52/bu	-0.15	+0.57
Rice \$/cwt	12.22/cwt	0	+2.82
Cotton ¢/lb	69.44/lb	-0.17	-12.58
Steers \$/cwt	66.61/cwt	-1.77	+7.83
Hogs \$/cwt	58.44/cwt	-1.36	-4.31
Broilers ¢/lb	60.49/lb	+1.12	+0.68
Cheese \$/lb	1.17/lb	0	-0.32
Butter \$/lb	0.86/lb	+0.05	-0.18

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Welfare Reform Update:** On June 20-21, USDA officials will participate in the American Association of Family and Consumer Sciences' national meeting, "Public Policy: Economic Impact on Children, Youth, and Families," in Washington, DC, where they will present findings of welfare reform research that evaluates family well-being in rural and urban America and implications of changing private and public support systems.
- **Food Safety Update:** On June 12-13, USDA will conduct the National Food Safety Education Conference, the first national meeting to focus on developing innovative education programs aimed at changing consumers' unsafe food handling practices.
- **Helping Native Americans:** USDA representatives provided a presentation at the Coeur d'Alene Indian Reservation on May 12 and the Colville Indian Reservation on May 14 during the Agriculture Education/Outreach Seminars presented by the Intertribal Agriculture Council, in which they discussed crop insurance issues for Native Americans.
- **Water 2000 Update:** On June 30, USDA will announce FY97 funding for the Administration's Water 2000 initiative, the goal of which is to provide clean, sanitary plumbing facilities and fresh drinking water by the year 2000 to an estimated 1.2 million rural residents currently without access to such amenities.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Legislation Introduced On USDA Information Technology:** Senators Harkin and Lugar introduced legislation on May 23 that would provide USDA's chief information officer with additional legal and budgetary authorities to manage information technology at the Department.

Congressional Hearings:

- June 5 -- Senate Agriculture, Nutrition, and Forestry Committee, Hepatitis A outbreak.
- June 5 -- House agriculture committee, forest health.
- June 18 -- Secretary Glickman testifies, Senate agriculture committee, trade issues.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- May 27-30 -- personal leave.
- June 3-- National Cotton Council conference, Washington, DC.
- June 5-6 -- staff retreat.
- June 12 -- Food Safety Education Conference, Washington, DC.
- June 13 -- South West Border Region Conference, McAllen, TX.
- June 16 -- European Union Agriculture Commissioner Fischler, Washington, DC.
- June 19-22 -- International Grain Council Conference, London.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- May 29 -- American Federation of Grain Millers International Union, Washington, DC.
- June 5-6 -- staff retreat.
- June 12-- Western Drought Coordination Council, Albuquerque, NM.
- June 13-- Malpai Borderlands, NM.
- June 21-- Agricultural Research Service laboratory groundbreaking, Ft. Pierce, FL.

VI. SUB-CABINET SCHEDULE

Under Secretary for Natural Resources and Environment Jim Lyons:

- June 6 -- American Rivers board of directors, Washington, DC.
- June 7 -- Philadelphia Urban Resources Partnership Community Conference, Philadelphia, PA.
- June 9-12 -- Great Outdoors Week, Washington, DC.
- June 14 -- Urban Resources Partnership event, Chicago, IL.

- June 16 -- announcement of Las Vegas as newest Urban Resources Partnership (URP) city, Las Vegas, NV.
- June 17 -- Rivers Council of Washington Conference, Tacoma, WA.
- June 18 -- URP grant announcement, Seattle, WA.

Under Secretary for Rural Development Jill Long-Thompson:

- May 29-30 -- Rural Development Conference, Eureka Springs, AR.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- May 28-29 -- agricultural concentration forum with Senators Harkin and Johnson, Sioux City, IA.
- June 2 -- National Association for Biomedical Research Legislative Conference, Washington, D.C.
- June 16-17 -- USDA Animal and Plant Health Inspection Service leadership training, Atlanta, GA.

Acting Under Secretary for Research, Education, and Economics Catherine Woteki:

- May 28-30 -- USDA research strategic planning task force meeting, Ames, IA.

Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe:

- June 2 -- National Association of Food Distribution Programs on Indian Reservations, Billings, MT.

Acting Chief Information Officer Anne Reed:

- June 12 -- Industry Advisory Council Symposium, Washington, DC.
- June 19 -- A Leadership Forum for Women with Disabilities, Washington, DC.

Acting Chief Financial Officer Ted David:

- June 22-26 -- Association of Government Accounts professional development conference, Phoenix, AZ.

VII. PRESS/MEDIA INQUIRIES

- *CNN* requested a list of doctors approved for J-1 visa waivers. These doctors typically serve in rural areas where medical resources are scarce.
- *ABC Prime Time Live* inquired about a process developed by a USDA scientist that makes meat more tender.
- *New York Times* asked for background on the food stamp waiver process.
- *Federal Times* is asking all federal agencies for rules for Internet use.

- *U.S. News & World Report* requested background on the decline of black farmers.
- *Forbes* magazine will be running a story in the June 16 or 23 issue on the recreation fee demonstration program.

VIII. FOIA REQUESTS

- No significant FOIA requests to report.

IX. WEEKEND CONTACT

- Greg Frazier
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June 4, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of June 2, 1997

I. KEY DEPARTMENT NEWS

- **Secretary's Advance Scheduled:** On June 5-6, Secretary Glickman and his leadership team will gather at a strategic planning session in Piney Point, MD to discuss policy issues and leadership training.
- **Texas Tornado Kills Two USDA Housing Borrowers:** Two USDA housing borrowers died and their homes were destroyed in the May 28 tornado that struck Jarrell, TX.
- **Medflies Found In Florida:** Florida officials have quarantined 290 square miles in northern Hillsborough County, FL after the May 28 and June 2 findings of Mediterranean fruit flies (Medflies). USDA will use a combination of measures, including ground-bait treatment, sterile fly release, and four weekly aerial Malathion treatments to control the outbreak.
- **Civil Rights Update:** The civil rights backlog team determined that 769 cases of the total 1,504 active civil rights cases are appropriate for alternative dispute resolution. These 769 cases represent 596 complainants. Nearly 400 of the 596 complainants have expressed willingness to proceed with negotiations. Since May 19, the team has settled five cases and is actively negotiating 146 cases, with 77 near settlement.

On June 5, USDA special emphasis program managers will hold a meeting, during which there will be an awards ceremony to honor the Martin Luther King and Black History Month committees and USDA Unity Choir for helping make the events successful.

The USDA disability employment program manager helped the District of Columbia Department of Rehabilitation Services Administration successfully launch a career fair, held May 20 at USDA headquarters in Washington, DC. Over 200 applicants with disabilities visited the career fair, which was represented by both federal and private sector employers.

- **Environmentalists Declare "National Day of Action":** The Sierra Club, Heartwood, Native Forest Network and several other environmental groups held a "National Day Of Action To End Logging On Public Lands" June 4, the 100th anniversary of the passage of the Organic Act of 1897, established to secure favorable conditions of waterflows and to furnish a continuous supply of timber.
- **Mine Spill Causes Campground To Close:** The Forest Service closed the Power Plant Campground east of Atlanta, ID on May 20 after toxic mine waste flowed into the Middle Fork of the Boise River after spring runoff eroded an impoundment structure. Test results show high concentrations of arsenic and some elevated mercury levels. Although there is no immediate health threat, Idaho officials have warned the public not to swim in the stream or drink water from the area.
- **Potato Industry Receives USDA Assistance:** On May 29, Farm Service Agency county offices began accepting applications for the Potato Diversion Program, which will provide 1996 potatoes to charitable institutions and livestock feed. An initial allocation of \$4.752 million was dispersed to 23 states, with **pROGRAM SIGN-UP FROM MAY 29 THROUGH JUNE 11 FOR CHARITABLE DONATIONS AND MAY 29 THROUGH JULY 28 FOR LIVESTOCK FEED DONATIONS.**
- **Disaster Assistance Update:** The South Dakota Farm Services Agency office has requested an additional \$3.1 million in Emergency Conservation Program funds for damage to land, waterways, and environmentally sensitive areas incurred by recent flooding. Kentucky also submitted an initial estimate of \$6 million for damage caused by recent floods.
- **Rural Development Update:** In FY97, USDA has funded 663 water and waste disposal projects, totaling nearly \$576.4 million in loans, more than \$336.5 million in grants, and serving about 484,725 users.

The Department has made \$407 million in rural housing loans this fiscal year, providing housing for almost 8,400 families and jobs for over 9,900 people. USDA has guaranteed another \$1.1 billion in loans, providing housing for over 16,400 families and jobs for over 17,900 people. USDA has obligated over \$29.8 million in loans and grants to help over 6,100 families and elderly individuals rehabilitate their homes.

This fiscal year, USDA has made 418 business and industry loans totaling nearly \$524.1 million; they will create 6,395 jobs and save 10,618 jobs. Currently, the Department has over \$116 million in applications waiting for funding, but only \$32.1 million is left in the FY97 budget. The Department has also made 45 intermediary relending loans (used for revolving loan programs by the recipients) totaling \$33 million, 176 rural business enterprise grants of nearly \$26 million, 20 rural economic development loans totaling about \$6.7 million, and 23 rural economic development grants totaling \$7.9 million.

- **Crop Insurance Changes Approved:** In its May 29 meeting, the Federal Crop Insurance Corporation board of directors approved expansion of Crop Revenue Coverage (CRC) for wheat to an additional 25 states for the 1998 crop year and an expanded version of the Income Protection plan of insurance for wheat. In other action, the board approved an expanded version of the canola CRC pilot program and several new CRC pilot programs for almonds, pecans, and sweet potatoes.
- **Poultry Disease Update:** Two more Lancaster County, PA layer flocks tested positive for a non-pathogenic strain of Avian influenza on May 23 and were destroyed. This outbreak is not nearly as severe as the Avian influenza outbreak that decimated the Pennsylvania poultry industry in the late 1980s.
- **USDA To Publish Report On Safe Drinking Water:** On June 11, USDA will release *Safe Drinking Water: The Value Of Nitrate Reduction*, which evaluates the potential benefits of reducing human exposure to nitrates in the drinking water supply.
- **Dairy Update:** Oral argument was presented in the U.S. District Court for the District of Columbia May 22 on the Northeast Interstate Dairy Compact lawsuit.

The Department announced May 29 that the National Agricultural Statistics Service U.S. average 40-lb cheddar cheese price will replace the price formerly reported by the National Cheese Exchange to compute the basic formula (BFP) and class prices.

The May BFP to be released on June 5 will likely be the third lowest since 1980. Continued low cheese prices are the major factor in the decline.

- **Trade Developments:** Secretary Glickman spoke to the National Cotton Council June 3 in Washington, DC, when he urged support for extending MFN to China and general agricultural and trade issues.

USDA issued a notice May 27 restricting the importation of pork and pork products from Spain because of the detection of hog cholera in that country.

The United States garnered a 44 percent share of Japan's first rice tender of the 1997/98 minimum access import campaign. Although the initial tender on May 28 represents only a small portion of Japan's required 530,000 tons in 1997/98 imports, these purchases are significant as an indicator of import preference.

USDA expects approval of the final rule specifying conditions for export of fresh beef from Argentina to the United States by June 23.

On June 6, USDA recognized Costa Rica free of exotic Newcastle disease, removing the prohibition on importing live birds, game birds, poultry, and poultry products from the country.

- **Ground-Breaking Set For New Horticulture Research Facility:** On June 21, USDA will break ground for the new U.S. Horticultural Research Laboratory at Fort Pierce, FL, which will develop new citrus offspring and rootstock varieties that will have greater tolerance of environmental stress and resistance to diseases and pests as well as improved product quality and yield.
- **Agricultural Markets In Review:** Wheat prices dropped to their lowest level in two years. For the week ending May 30, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	4.40/bu	-0.11	-1.90
Corn \$/bu	2.70/bu	-0.06	-2.14
Soybeans \$/bu	8.62/bu	0.12	0.76
Rice \$/cwt	12.22/cwt	0	+2.81
Cotton ¢/lb	69.77/lb	0.37	-11.47
Steers \$/cwt	65.02/cwt	-1.47	5.53
Hogs \$/cwt	56.13/cwt	-2.17	-3.81
Broilers ¢/lb	59.83/lb	+0.28	-3.05
Cheese \$/lb	1.17/lb	0	-0.32
Butter \$/lb	1.05/lb	+0.07	-0.13

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Food Safety Update:** The First Lady is expected to attend USDA's National Food Safety Education Conference June 12-13, the first national conference to focus on developing innovative education programs aimed at improving consumers' food handling practices.

USDA is seeking public comment on the inspection program detailed in Australia's pilot proposal for its export-meat inspection program to ensure equivalence and the safety, wholesomeness, and truthful labeling of product produced under such a system.

- **Welfare Reform Update:** From May 22 - June 3, the Food Stamp Program (FSP) approved a waiver exempting Wind River Indian Reservation, WY residents from the provisions in the welfare reform bill which limit food stamp program participation to three months in any 36-month period for able-bodied adults without dependents between ages 18-50 unless the affected individuals are employed an average of 20 hours per week or are participating in a work program.

USDA also approved a waiver exempting Buchanan County, MO. A previously issued waiver which included an exemption for St. Joseph based on its designation as a Labor Surplus Area was extended to the entire county based on St. Joseph's domination of the local labor market.

Illinois' waiver was expanded to include two more communities in Cook County. The state was advised that a waiver could not be approved to exclude all of Cook County, and a request to exclude additional communities in Illinois is still being evaluated.

- **Homeownership Update:** USDA is promoting National Homeownership Week, June 7-14, and as of May 30, 37 states have agreed to sponsor 67 events during the week, including housing fairs, self-help housing builds, and proclamations from the Governors of Alabama, Alaska, and Montana.
- **HELPING NATIVE AMERICANS:** USDA has begun a conservation planning project on the Duck Valley Shoshone-Paiute Indian Reservation in Nevada and Idaho. During the project, 450 conservation plans will be developed for 250 reservation land holders, covering 12,000 acres of irrigated pasture and hayland.
- **Water 2000 Rollout Update:** On June 30, USDA officials will join community leaders and members of Congress to announce \$160 million in funding for about 80 Water 2000 projects in 42 states, the goal of which is to provide clean, sanitary plumbing facilities and fresh drinking water by the year 2000 to an estimated 1.2 million rural residents currently without access to such amenities.

- **NAFTA UPDATE: USDA ECONOMISTS AND U.S. TRADE REPRESENTATIVE (U COMPONENT OF THE PRESIDENT'S CONGRESSIONALLY MANDATED REP RELEASED, WILL THEN BE RELEASED CONCURRENTLY OR AS AN APPENDI REVIEW THE AGRICULTURE COMPONENT OF AN INTERNATIONAL TRAD**

III. NOTABLE CONGRESSIONAL ACTIVITIES

- **Secretary To Meet Congressional Leaders On USDA County System:** On June 9, Secretary Glickman will hold a forum with House and Senate agriculture and appropriations leaders to discuss the future policy direction for the Department's county based agencies.

Congressional Hearings:

- June 5 -- Senate Agriculture, Nutrition, and Forestry Committee, Hepatitis A outbreak.
- June 5 -- House agriculture committee, forest health.
- June 18 -- Secretary Glickman testifies, Senate agriculture committee, trade issues.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- June 5-6 -- Secretary's Advance, Piney Point, MD.
- June 12 -- Food Safety Education Conference, Washington, DC.
- June 13 -- South West Border Region Conference, McAllen, TX.
- June 16 -- European Union Agriculture Commissioner Fischler, Washington, DC.
- June 19-22 -- International Grain Council Conference, London.
- June 30 -- Pre-Tahoe Summit Forum, South Village Tahoe, NV.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- June 5-6 -- Secretary's Advance, Piney Point, MD.
- June 12-- Western Drought Coordination Council, Albuquerque, NM.
- June 13-- Malpai Borderlands, NM.
- June 21-- Agricultural Research Service laboratory groundbreaking, Ft. Pierce, FL.

VI. SUB-CABINET SCHEDULE

Under Secretary for Natural Resources and Environment Jim Lyons:

- June 7 -- Philadelphia Urban Resources Partnership Community Conference, Philadelphia, PA.
- June 9-12 -- Great Outdoors Week, Washington, DC.
- June 10 -- accept 1997 Green Star award, Environmental Action Coalition, New York, NY.

- June 14 -- Urban Resources Partnership event, Chicago, IL.
- June 16 -- announcement of Las Vegas as newest Urban Resources Partnership (URP) city, Las Vegas, NV.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- June 13 -- lead congressional staff tour of Animal Damage Control program at Dulles Airport, Washington, DC.
- June 24 -- Pork Producers Council and board, Des Moines, IA.
- June 25 -- present pseudorabies-free certificate, Charleston, WV.

Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe:

- June 12 -- Public Relations Society of America Silver Anvil awards ceremony, New York, NY. USDA Team Nutrition won the Award of Excellence and received its nomination for the Silver Anvil in the Public Service category (Government subcategory).

Acting Chief Information Officer Anne Reed:

- June 19 -- A Leadership Forum for Women with Disabilities, Washington, DC.
- June 24 -- Women-Owned Business Breakfast, Washington, DC.
- July 10-16 -- U.S. delegation to the Joint Committee on Natural and Man-Made Emergency Prevention and Response (Gore-Chernomyrdin Commission), Lake Baikal, Russia.

Acting Under Secretary for Food Safety Thomas Billy:

- June 8 -- Association of Food and Drug Officials' conference, Minneapolis, MN.
- June 10 -- Second World Congress on Meat and Poultry Inspection, The Netherlands.

VII. PRESS/MEDIA INQUIRIES

- On June 9, Secretary Glickman will be interviewed by *MS-NBC* on civil rights issues.
- *CNN* has made initial inquiries to the Southern Region on firefighting training for Hotshot crews and is aiming to present a story in their news magazine, *Impact*, that profiles the intense training of an eastern Hotshot crew.
- *NBC News* requested information on agricultural magazines from the late 1800s.
- *Time* requested information on the companies receiving USDA Market Access Program export promotion funds.
- *Congressional Quarterly* requested information on USDA disaster assistance programs and the process by which disaster declarations are requested and provided.

- *Reuters News Service* requested additional information on the potato diversion program.
- *Associated Press* interviewed a USDA scientist regarding a process he developed that makes meat more tender.
- *Bridge News* requested an update on whether Argentine beef exports have been approved to enter the United States.
- *San Francisco Chronicle* asked for an update on Africanized honey bees and mites.
- **DES MOINES REGISTER REQUESTED INFORMATION ABOUT POPULATION**
- *San Diego Tribune* requested additional information on strawberry purchases.
- *Detroit News* inquired about several Animal Welfare Act license holders believed to be smuggling monkeys and selling them.
- *Star Ledger* in New Jersey requested information on the Scotch Pines Zoo, currently under investigation by USDA for alleged Animal Welfare Act violations.
- *Chicago Tribune* wanted to verify that 700,000 pigs have been killed in Taiwan because of foot-and-mouth disease.
- The June 2 issue of *Time* features a short article on the Forest Service Passport In Time (PIT) program, which invites children and adults to join archaeological digs. PIT was established in 1988 and provides opportunities for the public to join in excavations at Forest Service sites.
- Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe was interviewed June 3 by the Billings, MT *NBC* affiliate about the Food Distribution Program on Indian Reservations and improvements the Administration has brought to school meals, including the nutrition promotion/education program, Team Nutrition.

VIII. FOIA REQUESTS

A law firm has requested extensive information on Food Stamp Program store eligibility. The

firm has been retained by OhCal Foods Inc. to represent a California Subway franchise on administrative appeal for denied authorization to participate in the in the Food Stamp Program. The restaurant was denied authorization because more than 50 percent of its sales in prepared, ready-to-eat foods, is not intended for home preparation and consumption.

The Animal and Plant Health Inspection Service provided copies of three previously processed FOIA requests to several other federal agencies. The case involved a contract employee killed in an airplane crash on September 9, 1995, while spraying for pink bollworm in California.

June 11, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of June 9, 1997

I. KEY DEPARTMENT NEWS

- **Civil Rights Update:** Secretary Glickman was interviewed June 9 by *MSNBC* on civil rights and the plight of African American farmers. On June 12, the Secretary and the USDA subcabinet will hold interviews to amplify the Administration's message on race relations and civil rights.

The USDA Office of Civil Rights received 16 new civil rights complaints the week of June 9, bringing the total to 1,459 complaints. From June 2-9, 13 of the 1,459 cases were settled, bringing the total number settled since April 1 to 90. Only 641 of the 1,459 cases are eligible for settlement.

- **USDA Addresses Concentration In Meat Industry:** Secretary Glickman announced June 4 new actions and reviewed progress made by the Administration in regulatory enforcement, research and education, and market information on the issue of concentration in the meat industry. The Secretary will ask Congress to strengthen enforcement of the Agricultural Fair Practices Act, asked for expanding enforcement of the Packers and Stockyards Act, and promised that the Department will work to strengthen investigations into anticompetitive practices, broaden producer education and outreach in risk management and marketing, and ensure unbiased research by USDA.
- **Secretary Addresses Recreation Roundtable, Attends Awards Ceremony:** On June 10, Secretary Glickman addressed the Recreation Roundtable, a conference of key recreation leaders, about recreation and National Forests.

On June 11, the Secretary and Deputy Secretary Rominger participated in the USDA Honor Awards Ceremony, the annual recognition of Department employees.

- **Disaster Assistance Update:** The Commodity Credit Corporation sold 8.2 million bushels of disaster reserve stocks June 4; the \$20.6 million in proceeds will be used for emergency needs in the upper Northwest, including Minnesota and North and South Dakota. This sale depletes disaster reserve stocks, and unless legislation is enacted authorizing replenishment, there will be no further sales. Since 1996, nearly 43.5 million bushels of disaster reserve stocks have been sold, generating more than \$131.7 million, used to fund the 1996 Disaster Reserve Assistance Program and the Foundation Livestock Relief and Emergency Feed Grain Donation programs in 1997.

The Farm Service Agency (FSA) South Dakota office has requested an additional \$2.5 million for help in restoring farmland, waterways, and environmentally sensitive cropland damaged by recent flooding. With earlier requests for \$3.1 million and \$6.1 million, USDA officials are requesting over \$11.7 million to aid farmers and livestock producers. Nevada FSA officials have also requested an additional \$450,000 to help producers with flood damage.

Secretary Glickman announced June 11 that the Department is making emergency loans available for family sized farm operators in seven central Texas counties that suffered damage due to tornadoes May 27.

- **USDA Team Nutrition To Receive Recognition:** On June 12, Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe will attend the Public Relations Society of America awards ceremony in New York, in which USDA Team Nutrition will be presented the Award of Excellence and nomination for the Silver Anvil award under public service.

On July 24, Team Nutrition will also receive the 1997 Ethal Austin Martin Excellence in Nutrition Education award, in recognition of its innovative, partnership-oriented approach to child nutrition promotion, from the Society for Nutrition Education in Montreal, Canada.

- **Florida Medfly Outbreak Update:** About 60 federal and state employees are assigned to monitor the recent outbreak of Mediterranean fruit flies (Medflies) in Florida. Malathion bait-spray was applied over the June 6 weekend to the affected area.
- **Vesicular Stomatitis Found In New Mexico/Arizona:** USDA veterinary and state officials in Arizona have confirmed a single case of vesicular stomatitis in a colt from samples collected May 27. Vesicular stomatitis, a viral disease that causes blisters on horses, cattle, and swine, can prevent movement of animals from state to state and internationally.

- **USDA-Small Business Administration Partnership Announced:** USDA announced June 5 a partnership agreement with the Small Business Administration (SBA) and the Bank of Santander and InterAmerican University in Puerto Rico, by which SBA will provide \$1.2 million to the university to provide technical assistance for minority and women businesses and potential businesses and USDA will assist through a loan guarantee program.
- **Forest Logging Project Blocked:** On June 3, U.S. District Judge Karl Forester blocked proposed logging on 200 acres in the Daniel Boone National Forest in Kentucky, citing the presence of the Indiana bat, an endangered species. The judge's ruling was prompted by the Kentucky Heartwood environmental group's lawsuit to block the proposed action.
- **Trade Developments:** Several issues may affect U.S. poultry exports to Colombia. Colombian approval for U.S. poultry plants is scheduled to expire in August and if not renewed, U.S. exporters will be unable to ship there. Colombian poultry meat producers are pressuring the Ministry of Health to restrict imports of mechanically deboned chicken.

Cargill has canceled all wheat shipments to North Korea because the North Koreans could not deliver the quantity of zinc specified in their barter agreement.

Confirmation that Cargill is importing Brazilian soybeans to process in its Southeastern U.S. crushing plants sent the July soybean futures contract down the 30 cents/bu limit to \$8.30/bu June 4. The company would not specify the quantity to be imported, but market speculators estimate it at 200,000 tons.

The United States and Israel reached tentative agreement on several technical corrections to the U.S.-Israel Agreement on Agriculture, which should improve market access for almond exports to Israel.

- **Dairy Update:** USDA purchased another 118,000 lbs of nonfortified nonfat dry milk and 148,000 lbs of process cheese under the Dairy Price Support Program the week of May 26. USDA has purchased almost 828,000 lbs of nonfat dry milk and 148,000 lbs of process cheese so far this year, primarily on the West Coast. These are the first purchases USDA has made to support dairy prices.

The June Basic Formula Price (BFP) -- the price USDA uses to set minimum prices under federal milk marketing orders -- decreased 74 cents from May to \$10.70/cwt, the lowest the BFP, or the former Minnesota-Wisconsin price, has been since June 1991. Over the past eight months, the BFP has declined \$4.67 from the record-high September price of \$15.37. While the June BFP was \$3.07 lower than last year, it was

60 cents above the current dairy support price.

Agricultural Markets In Review: For the week ending June 6, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	4.41/bu	0.01	-1.66
Corn \$/bu	2.75/bu	0.05	-1.87
Soybeans \$/bu	8.59/bu	-0.03	0.94
Rice \$/cwt	12.22/cwt	0	+2.81
Cotton ¢/lb	69.88/lb	0.11	-12.06
Steers \$/cwt	64.14/cwt	-0.92	3.71
Hogs \$/cwt	56.80/cwt	0.67	-0.70
Broilers ¢/lb	59.97/lb	+0.14	-4.13
Cheese \$/lb	1.17/lb	0	-0.32
Butter \$/lb	1.05/lb	0	-0.24

The week ending June 6, wheat prices remained stable as harvest progress picked up across the South. Soybean prices fell due to prospects for warmer weather, and as exports dropped and imports entered the United States.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- Food Safety Update:** The June 12-13 National Food Safety Education Conference in Washington, DC will feature speeches by the First Lady, Secretaries Glickman and Shalala, and members of the public, including cookbook author Yan Can Cook. The conference, one of the education activities identified in the May 1997 Food Safety Initiative report to the President, will focus on developing innovative education programs aimed at changing consumers' food handling practices and prevent millions of foodborne illnesses and thousands of deaths a year.

In related news, USDA announced June 10 that consumers should use a meat thermometer when cooking hamburger, rather than relying on the internal color of the meat, to be sure that it is safe to eat. To be safe from harmful bacteria, ground beef must be cooked to 160 degrees F. USDA's emphasis on using a meat thermometer resulted from USDA research that indicates some ground meat may turn prematurely brown before a safe internal temperature has been reached.

- **Empowerment Zones/Enterprise Communities Update:** On June 13, Secretary Glickman will join the Vice President on his trip to the Rio Grande Empowerment Zone in Texas. The Secretary will visit a colonia and speak at the South West Border Region Conference in McAllen, TX. The Vice President will announce 21 rural development projects totaling over \$50 million recently obligated by USDA for Enterprise Communities/Empowerment Zones.
- **President's Lake Tahoe Forum:** USDA issued a news release June 4 on the Presidential and Vice Presidential trip to Lake Tahoe, NV, which will highlight ongoing collaborative efforts to resolve problems facing the Lake Tahoe Basin.
- **Homeownership Update:** USDA is promoting National Homeownership Week, June 7-14, and as of June 6, 48 states have agreed to sponsor 113 events during the week, including housing fairs, self-help housing builds, and proclamations from the Governors of Alaska, Iowa, Kentucky, and Montana.
- **HELPING NATIVE AMERICANS:** In the next two weeks, USDA expects to award \$50,000 under the Tribal Colleges Education Equity Grants Program to each of the 29 colleges designated as 1994 Land-Grant Institutions. In its second year, this grant program enhances educational opportunities for Native Americans by strengthening instruction programs in the food and agricultural sciences. Funds are awarded equally among the 1994 institutions upon approval of each institution's grant application, which includes a plan of work with long-range goals.
- **Welfare Reform Update:** The Food Stamp Program had previously issued a waiver exempting McKeesport, PA residents from welfare reform bill provisions which limit food stamp program participation to three months in any 36-month period for able-bodied adults without dependents between ages 18-50 unless the affected individuals are employed an average of 20 hours per week or are participating in a work program. The waiver was based on the town's designation as a Labor Surplus Area (LSA). However, the original request for a waiver exempting all of Allegheny County was denied because it was not designated a LSA; a second request has since been made but was also denied due to insufficient data to support the request.

USDA's 11 welfare to work hires were made March 8-May 16, with nine as seasonal hires in Forest Service field locations.

- **Missouri Implements Electronic Benefits Transfer System:** Missouri, the first state to accomplish two-way integration of federal and state benefits, began an eight-county Electronic Benefits Transfer (EBT) pilot of food stamp and Social Security benefits

June 1. Pilot participants can add any direct federal benefit to their existing EBT card, and federal recipients can choose to use their federal card to access state benefits. The state plans to expand this program and add households from the St. Louis and Kansas City area during the next three months.

III. NOTABLE CONGRESSIONAL ACTIVITIES

Congressional Hearings:

- June 5 -- Senate Agriculture, Nutrition, and Forestry Committee on Hepatitis A outbreak.
- June 5 -- House Agriculture Committee on forest health.
- June 11 -- House Forestry, Resource Conservation, and Research Subcommittee on 1997 Conservation Reserve Program.
- June 12 -- House Resources Subcommittee on Forests and Forest Health on Oliver forest health report.
- June 18 -- Secretary Glickman testifies, Senate Agriculture Committee on trade issues.
- June 19 -- House Agriculture Committee on Oliver forest health report.

- **Secretary Meets With Congressional Members:** On June 9, Secretary Glickman met with Congressional leaders to discuss restructuring USDA's field office system.

On June 10, the Secretary briefed members of Congress on Most Favored Nation status and why they should approve MFN for another year.

- **Agriculture Census Update:** A bill which would officially transfer responsibility for the Census of Agriculture from the Bureau of the Census to USDA was introduced in the Senate June 5 by Senator Lugar.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- June 12 -- Food Safety Education Conference, Washington, DC.
- June 13 -- South West Border Region Conference, McAllen, TX.
- June 16 -- European Union Agriculture Commissioner Fischler, Washington, DC.
- June 18 -- International Dairy Foods Association, Washington, DC.
- June 19-22 -- International Grain Council Conference, London.
- June 24 -- Bread for the World conference, Washington, DC.
- June 27 -- first USDA farmers' market of 1997, Washington, DC.
- June 30 -- Pre-Tahoe Summit Forum, South Village Tahoe, NV.
- July 1 -- Second Harvest national conference, San Diego, CA.
- July 2-6 -- personal leave.
- July 8 -- Commodity Club, Washington, DC.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- June 12-- Western Drought Coordination Council, Albuquerque, NM.
- June 13-- tour Malpai Borderlands, NM.
- June 21-- Agricultural Research Service laboratory groundbreaking, Ft. Pierce, FL.
- June 23 -- Western Governors' Association, Medora, ND.
- June 30 -- Pre-Tahoe Summit Forum, South Village Tahoe, NV.

VI. SUB-CABINET SCHEDULE

Under Secretary for Natural Resources and Environment Jim Lyons:

- June 14 -- Urban Resources Partnership event, Chicago, IL.
- June 16 -- announcement of Las Vegas as newest Urban Resources Partnership (URP) city, Las Vegas, NV.
- June 17 -- Rivers Council of Washington Conference, Tacoma, WA.
- June 18 -- Water Quality Workshop, South Lake Tahoe, CA.
- June 19 -- Quincy Library Group, Quincy, CA.
- June 24 -- American Recreation Coalition's Outdoor Writers Association of Americans, Orlando, FL.
- June 29-30, Forest Ecosystem Restoration workshop, North Lake Tahoe, NV.

Under Secretary for Rural Development Jill Long Thompson:

- June 13 -- South West Border Region Conference, McAllen, TX.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- June 24 -- Pork Producers Council and Board, Des Moines, IA.
- June 25 -- present pseudorabies-free certificate, Charleston, WV.

Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe:

- June 12 -- Press conference on roll-out of Electronic Benefits Transfer pilot program, Boston, MA.

Acting Under Secretary for Research, Education, and Economics Catherine Woteki:

- June 16 -- W.O. Atwater (ARS) Lecture activities, Orlando, FL.
- June 18 -- National Grain and Feed Association's research council, Washington, DC.

Acting Under Secretary for Food Safety Tom Billy:

- July 12 -- American Association of Meat Processors, Reno, NV.
- July 25, Southwest Meat Association, Branson, MO.

Acting Chief Information Officer Anne Reed:

- June 19 -- Leadership Forum for Women with Disabilities, Washington, DC.
- June 24 -- Women-Owned Business Breakfast, Washington, DC.
- July 9 -- Industry Advisory Council Symposium, Washington, DC.
- July 10-16 -- U.S. delegation to the Joint Committee on Natural and Man-Made Emergency Prevention and Response (Gore-Chernomyrdin Commission), Lake Baikal, Russia.

VII. PRESS/MEDIA INQUIRIES

- Secretary Glickman was interviewed by *Time* on June 11 regarding biotech crops, their use and trade implications.
- *Washington Post Magazine* will interview Secretary Glickman June 12 on growing tomatoes for its "Ask An Expert" feature.
- On June 17, Secretary Glickman will be interviewed by *KSYR* radio, Bismarck, ND, regarding general agriculture and disaster issues.
- *CBS 48 Hours* received permission to enter two meat plants in the Milwaukee, WI, area June 5 and videotaped a Food Safety and Inspection Service supervisor, who performed a demonstration of the procedure used to prepare a sample of ground beef for mailing to a USDA laboratory for testing for *E. coli* O157:H7.
- *CBS* is working with the Boise National Forest in Idaho to shoot footage of prescribed fire and its benefits to forest health.
- *CBS* requested an interview with Food Safety and Inspection Service Administrator Thomas J. Billy for a segment on the steam vacuum process to destroy pathogens on animal carcasses and other food safety issues for a segment expected to air in July.
- *ABC News* queried about the Rural Development business and industry loan program, specifically the loan guarantee for a Holiday Inn Express in Michigan.
- *CNN* and *USA Today* asked for a USDA response to a letter from the consumer group, Center for Science and the Public Interest, which claims the Department is ignoring nutrition labeling guidelines by continuing to allow ground beef to be labeled "percent fat" or "percent lean."
- *Journal of Commerce* requested information on meat and poultry imports and inspections.
- *USA Today* is researching timber road purchaser credits in the Pacific Northwest.

- *The Washington Post* and *U.S. News & World Report* is preparing stories on the Agricultural Research Service Beltsville, MD Symposium.
- *Grand Forks Herald* contacted the research leader at the USDA Northern Great Plains Research Laboratory (NGPRL), Mandan, ND, for an interview on research being conducted at the laboratory and why the NGPRL was chosen for closure.
- *Consumer Reports* requested information on the food safety of U.S. poultry.

VIII. FOIA REQUESTS

- *Arkansas Business Journal* requested confirmation of a story in the June 2 *Food Chemical News* about a national survey in which dioxin levels were found elevated in two of 80 samples of poultry and has filed a FOIA request for notes on any meetings held in conjunction with an ongoing USDA investigation of the survey results.

IX. WEEKEND CONTACT

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June 18, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of June 16, 1997

I. KEY DEPARTMENT NEWS

Secretary Glickman To Address International Grains Council: On June 19-21, Secretary Glickman will be in London, where he will address the International Grains Council conference. While there, he will meet with U.S. Ambassador Crowe, Argentine Secretary of Agriculture Felipe Sola, Australian Wheat Board Chairman Trevor Flugge, and Canadian Minister for Natural Resources Ralph Goodale; as well as visit Hempstead Farm in Kent.

Civil Rights Update: On June 10, Secretary Glickman, Deputy Secretary Rominger, Acting Assistant Secretary for Administration Pearlle Reed, and sub-cabinet members held a round-table with Native American, Hmong Vietnamese, Black farmers, and 1890s schools representatives to discuss civil rights issues.

USDA has hired 14 college students with disabilities as summer interns from the Workforce Recruitment Program for College Students with Disabilities.

On June 25, Secretary Glickman will meet with the Hispanic Congressional Caucus to discuss civil rights issues.

Disaster Assistance Update: On June 19, USDA will announce that the supplemental appropriations bill makes \$50 million available to benefit producers who lost livestock and poultry in areas declared a Presidential or Secretarial disaster between October 1, 1996 and June 12, 1997.

As of June 16, the Farm Services Agency has requests for nearly \$56 million in aid, far surpassing the \$26 million allocated in 1996 to rehabilitate 1.4 million acres of damaged farmland. Of the pending requests, \$13 million are from Western states for damage caused by flooding last winter. Kentucky and Ohio also submitted requests for \$15.4 million for flood damage along the Ohio River.

USDA Continues To Monitor Florida Medfly Situation: USDA and the Florida Department of Plant Industry are in the process of publishing regulations to prevent the spread of Mediterranean fruit flies (Medflies) following the recent Medfly outbreak in the state, the worst since 1929. The Department continues to conduct aerial applications of malathion bait-spray to eradicate the pest, in a treatment area of about 300 square miles in the Tampa area. Agricultural establishments within the vicinity of the detections, such as packing houses, processors, and nurseries, are being regulated.

Citrus Canker Found In Florida: Citrus canker disease was confirmed June 12 on a citrus grove near Palmetto, FL. State inspectors have found evidence of the disease in six other groves in the same general area. Emergency regulatory action is being taken to prevent any additional spread of the disease, and state and federal inspectors will be conducting detection and delimiting surveys.

Hepatitis A Outbreak Update: On June 10, a grand jury for the Southern District of California returned a 47-count indictment against Andrew and Williamson Sales Co. Inc. (A&W) and its former president, Frederick L. Williamson, on charges related to the sale of frozen strawberries to USDA for use in the National School Lunch Program. The indictment charges that A&W falsely certified that the strawberries were grown in the United States when they were actually grown in Mexico. These strawberries were implicated in an outbreak of Hepatitis A in Michigan.

Prominent Race Car Driver Found Guilty Of Trespassing: In the Federal District Court in Denver, CO on June 12, former race car driver Bobby Unser was found guilty of trespassing after driving a snowmobile in the South San Juan New Mexico Wilderness. The use of motorized equipment in a national forest wilderness is a federal violation, and Unser was fined \$75 and publicly expressed interest in appealing the case.

Clean Water Act Grazing Permit Case Appealed: On June 16, the federal government filed a brief in the case of ONDA v. Dombeck, appealing the ruling by the District Court in Oregon that the Forest Service must have a state certification under the Clean Water Act before it can issue a grazing permit. The District Court ruling would have profound implications for users of Forest Service water.

Asian Long-Horned Beetle Treatments Completed: The first phase to eradicate Asian long-horned beetles from Brooklyn and Amityville, New York has been completed by USDA. All known infested trees have been removed and destroyed and tree replanting efforts started.

USDA Co-Chairs Western Governors' Association Drought Council: Deputy Secretary Rominger represented the Department at the Western Governors' Association Drought Coordination Council meeting in Albuquerque, NM on June 12. The Council, co-chaired by

Secretary Glickman and New Mexico Governor Johnson, is to establish a more comprehensive, integrated, and expeditious response to drought emergencies and to plan cooperatively responses to future droughts.

Forest Service Aircraft Found: A Forest Service King Air aircraft worth about \$1 million that had been stolen by suspected drug runners about three years ago along with four other aircraft from the Atlanta Airport was recently found in the Columbian government fleet. The FAA last tracked the plane heading to South America and it was confiscated by Columbian officials two years ago.

Dairy Update: USDA purchased nearly 3 million lbs of nonfat dry milk and 400,000 lbs of process cheese under the dairy price support program, as well as 560,000 lbs of cheese worth \$638,000 for July delivery to the Department's food nutrition programs.

The week of June 2, USDA estimated May milk production up 2.1 percent -- helping explain some of the weakness in dairy prices during the past few months. The year-over-year increase in milk production is primarily the result of sharp increases in the Western states, while production in milk production states around the Great Lakes is weak.

Rural Development Update: In FY97, 27 farm labor housing loans and grants totaling \$19.1 million have been obligated in Alaska, California, Florida, Illinois, Mississippi, Nebraska, Oregon, Vermont, and Wisconsin. About \$26.6 million in loans has also been allocated to provide necessary rehabilitation and repair of multi-family housing.

On June 12, Hilo Residency in Hawaii received a \$10.75 million loan from USDA for a family practice medical facility, which will also have a cancer treatment and research center.

Trade Developments: On June 18, Secretary Glickman testified before the Senate Agriculture Committee on trade issues.

The Secretary met with EU Commissioner Franz Fischler June 16 on various trade issues, including genetically modified organisms. Following the meeting, the Secretary held a media availability, which was attended by *Bridge News*, *Reuters*, *Associated Press*, *Futures World News*, *Bloomberg*, and *National Journal*.

On June 10, USDA increased Russia's credit guarantee allocation by \$25 million for meat, cotton, and feedgrains, which was used June 11, bringing total FY97 guarantees for U.S. exports of agricultural commodities to that country to \$120 million. On June 11, USDA increased Pakistan's credit guarantee allocation by \$25 million for wheat, bringing the total FY97 guarantees amount to \$300 million.

The June 27 *China International Agriculture and Trade Situation and Outlook* report will reveal that U.S. exports to China for 1996 totaled \$2.1 billion, down from \$2.6 billion in 1995 because of smaller shipments of wheat and corn. China's agricultural trade continues to be characterized by exports of processed and high-value products and imports of more land-intensive and semi-processed goods. China continued to be a net grain importer in 1996.

Agricultural Markets in Review: For the week ending June 16, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	4.30	-0.11	-1.91
Corn \$/bu	2.73	-0.02	-2.10
Soybeans \$/bu	8.31	-0.28	+0.80
Rice \$/cwt	12.22	0	+2.82
Cotton c/lb	70.62	+0.74	-10.64
Steers \$/cwt	62.93	-1.21	+0.31
Hogs \$/cwt	57.05	+0.25	-0.05
Broilers c/lb	60.07	+0.10	-4.00
Cheese \$/lb	1.17	0	-0.32
Butter \$/lb	1.05	0	-0.24

The week ending June 16, wheat prices fell as harvesting progressed normally. Corn prices fell as prospects for a large crop continue to be favorable. December cotton prices were up sharply, as cool, wet weather has adversely affected about one-half of the U.S. cotton crop. Fed cattle prices fell, as feedlot supplies continue to indicate high beef supplies through the summer. Hog and broiler prices were about the same as the week before, while butter and cheese prices were unchanged.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

Food Safety Update: The First Lady addressed the June 13 National Food Safety Education Conference, which focused on developing innovative education programs aimed at changing consumers' food handling practices. Secretaries Glickman and Shalala also spoke at the two-day conference. Over 500 individuals attended the conference.

The Food Safety Inspection Service opened its temporary Technical Services Center June 9 in Omaha, NE, providing technical assistance to federal food safety inspectors.

USDA, the Environmental Protection Agency, and the Food and Drug Administration continue to work with state officials to investigate the cause and extent of elevated levels of dioxin found in two of 80 poultry samples from Arkansas and Texas in a recent national survey. The dioxin levels found in these samples do not present an immediate health risk to the public, but federal agencies are working to identify likely sources of the contamination because of potential problems from long-term exposure to dioxin.

Welfare Reform Update: The week of June 10-18, USDA denied Rhode Island its request for a waiver to exempt all individuals from welfare reform bill provisions which limit food stamp program participation to three months in any 36-month period for able-bodied adults without dependents between ages 18-50 unless the affected individuals are employed an average of 20 hours per week or are participating in a work program. The state requested the waiver on the basis that the majority of jobs are located in Labor Surplus Areas (LSAs), covered by the state's current waiver, and that the waiver should be extended to individuals residing outside of the LSAs. The state's waiver request failed to provide clear evidence of the lack of sufficient jobs in the areas not already waived.

South Africa Update: Under the development of the Rural Business Service, the South African mission of USAID has agreed to fund a proposal to improve and expand the village bank system, designed to bring needed banking services to remote areas of rural South Africa. The \$410,000 project is a component of the Bi-National Commission effort headed by Vice President Gore and Deputy President Mbeke.

Empowerment Zones/Enterprise Communities Update: On June 13, Vice President Gore announced at the University of Texas-Pan American Southwest Border Region Conference 21 projects totaling \$39 million in USDA funding for Empowerment Zones and Enterprise Communities.

Homeownership Update: The Department's Rural Development office staged 114 events in 48 states in recognition of National Homeownership Week from June 7-14.

Helping Native Americans: On June 3 and 5, Oregon Farm Service Agency officials participated in seminars sponsored by the Intertribal Agriculture Council and USDA at the Warm Springs and Umatilla reservations to educate producers about available farm programs. Another seminar will be held June 18 at the Klamath Tribal headquarters.

Food Program Update: USDA is now allocating to the states the \$76 million in supplemental funding for the Women, Infants, and Children (WIC) food program, an important victory for all WIC participants, and for this Administration's commitment to maintain and strengthen the national nutrition safety net.

III. NOTABLE CONGRESSIONAL ACTIVITY

FY98 Appropriations Update: On June 17, the House Appropriations Subcommittee on Interior and Related Agencies marked up the FY98 appropriations bill, providing \$2.6 billion in discretionary funding for the Forest Service, which is \$280 million above the President's request. The Subcommittee rejected the President's budget request of \$700 million for the Priority Land Acquisition Program, which would have provided funding to purchase lands associated with the New World Mine in Montana and lands adjacent to Headwaters Forest in California. The House Appropriations Committee markup is scheduled for the week of June 23. There is no word on planned Senate action.

Congressional Hearings:

June 19 -- House Agriculture Committee on forest health.

June 26 -- House Resources Committee on President's American Heritage Rivers Initiative.

June 26 -- Senate Energy and Natural Resources Subcommittee on Forests and Public Land Management on management of Boundary Waters Canoe Area Wilderness.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

June 19-21 -- International Grains Council Conference, London.

June 24 -- Bread for the World conference, Washington, DC.

June 30 -- Pre-Tahoe Summit Forum, South Village Tahoe, NV.

July 1 -- Second Harvest national conference, San Diego, CA.

July 2-6 -- personal leave.

July 8 -- Commodity Club, Washington, DC.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

June 21-- Agricultural Research Service laboratory groundbreaking, Ft. Pierce, FL.

June 23 -- Western Governors' Association, Medora, ND.

June 30 -- Pre-Tahoe Summit Forum, South Village Tahoe, NV.

VI. SUB-CABINET SCHEDULE

Under Secretary for Natural Resources and Environment Jim Lyons:

June 19 -- Quincy Library Group, Quincy, CA.

June 24 -- American Recreation Coalition's Outdoor Writers Association of Americans, Orlando, FL.

June 29-30, Forest Ecosystem Restoration workshop, South Village Tahoe, NV.

Under Secretary for Rural Development Jill Long Thompson:

June 24 -- National Association of Credit Specialists, San Diego, CA.

June 25 -- national Empowerment Zone/Enterprise Community training conference, Oklahoma City, OK.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

June 25 -- present pseudorabies-free certificate, Charleston, WV.

Acting Under Secretary for Research, Education, and Economics Catherine Woteki:

June 25 -- American Association of Family and Consumer Services, Washington, DC.

Acting Under Secretary for Food Safety Tom Billy:

July 25 -- Southwest Meat Association, Branson, MO.

Acting Chief Information Officer Anne Reed:

June 19 -- Leadership Forum for Women with Disabilities, Washington, DC.

June 24 -- Women-Owned Business Breakfast, Washington, DC.

July 9 -- Industry Advisory Council Symposium, Washington, DC.

July 10-16 -- U.S. delegation to the Joint Committee on Natural and Man-Made Emergency Prevention and Response (Gore-Chernomyrdin Commission), Lake Baikal, Russia.

VII. PRESS/MEDIA INQUIRIES

Secretary Glickman was interviewed June 11 by *Time* on biotechnology crops and trade implications.

On June 12, a Foreign Agricultural Service official participated in a live talk show on China with *AgriTalk Farm Network* to educate farmers, exporters, and the public about China's culture and the potential for U.S. agricultural exports. *AgriTalk Farm Network* broadcasts on 130 radio stations in 31 states.

On June 12, Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keefe traveled to Boston, MA to participate in a press conference, attended by *Boston Globe*, *Boston Herald*, and the local *ABC* and *NBC* affiliates, sponsored by the Governor's office on the state's food stamp Electronic Benefits Transfer (EBT) system.

On June 13, in New York, NY, Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keefe was interviewed by *American Baby* on the Women, Infants, and Children (WIC) national breastfeeding promotion project, which will begin the first week in August. *American Baby* found the promotion so significant that it will rearrange its August issue to announce the project.

CBS 48 Hours interviewed Food Safety and Inspection Service Administrator Tom Billy about USDA's new inspection program and its ground beef sampling program that tests for *E. coli* O157:H7 for a segment aired on July 10.

Portland, Oregon's *KPTV*, a member of the *Universal Paramount Network*, videotaped rookie smokejumpers June 15-16 at the Redmond Air Center in Redmond.

Newsday visited the Agricultural Research Service Plum Island Animal Disease Center for information on the lighthouse constructed in 1869 on Plum Island as a beacon for Plum Gut and Long Island Sound. The Coast Guard closed the light house in 1978 and established a navigational aid nearby. This lighthouse is in poor condition and could fall into the water. USDA has agreed only to maintain the external structure.

The laboratory director at the Agricultural Research Service Northern Great Plains Research Laboratory was interviewed by *Prairie Public Radio* in Bismarck, ND about the laboratory's activities.

CBS News requested information on the rehabilitation of black bears, and USDA provided information about its role in reintroducing the bears in Louisiana and about controlling bear-caused damage in Wisconsin.

VIII. FOIA REQUESTS

On June 10, the Forest Service received a FOIA request from the law offices of Ziegler, Cloudy, Peterson, Woodel & Seaver for documents related to the Tongass Land Management Plan revision.

On Saturday July 14, *Arkansas Business Journal* published a story about dioxin levels found in chicken during a national survey by the Environment Protection Agency. The publication has also entered a FOIA request for a copy of internal talking points being used by the agencies pending the final results of the analysis on the chicken samples.

IX. WEEKEND CONTACT

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June 25, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of June 23, 1997

I. KEY DEPARTMENT NEWS

- **Northeast Dairy Compact Upheld By Court:** USDA's decision to authorize implementation of the Northeast Dairy Compact was upheld by the Federal District Court for the District of Columbia on June 23. The Department's decision had been challenged by dairy interests outside of the Compact region, which includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont. Dairy farmers in the six states will receive higher fluid milk prices as a result of actions taken by the Commission established to implement the Compact. Consumers are likely to pay more for fluid milk, but the Commission has come up with a strategy to compensate participants in the Women, Infants, and Children (WIC) program.
- **Supreme Court Decides For USDA In Wileman Case:** On June 25, the Supreme Court upheld the constitutionality of generic advertising programs funded by growers of California nectarines and peaches. The case, Glickman v. Wileman, sought review of First Amendment issues raised in generic advertising programs under federal marketing orders for California nectarines and peaches. The Ninth Circuit Court of Appeals found that mandatory assessments implicated handlers' First Amendment rights because they were compelled to provide financial support for particular generic commercial advertisements. The Supreme Court held that the requirement that growers finance generic advertising does not violate the First Amendment.

The Court's decision validated marketing order and other USDA promotion programs as currently established and administered. These generic commodity promotion programs have been a mainstay for the agriculture industry and consumers and are requested, administered, and paid for by the industries that use them.

- **Vice President To Announce Water 2000 Funding:** On June 27, Secretary Glickman will join the Vice President at the White House to announce \$121 million in the latest round of funding for Water 2000, a program to help rural Americans who lack adequate drinking water. The Vice President will announce over 80 projects in 43 states and Puerto Rico as part of the program. On June 30, state and USDA officials will hold ceremonies announcing specific Water 2000 projects in the respective states.
- **Secretary To Join Vice President In Address To Pioneer Hybrid Seed Company:** On June 28, Secretary Glickman will travel with the Vice President to Johnson, IA, where the Vice President will speak on agriculture and the economy at Pioneer Hybrid Seed Company.
- **Administration To Host Lake Tahoe Basin Workshop:** On June 30, Secretaries Glickman and Babbitt will lead a workshop in South Village Tahoe, NV to discuss recreation, tourism, and strategies to protect, enhance, and restore the health of the Lake Tahoe Basin. The workshop, the second of three being held by the Administration in preparation for the July 25-26 Lake Tahoe Presidential Forum, will bring together local, regional, and national expertise and interests in roundtable panel discussions.
- **Secretary To Address Second Harvest:** On July 1, Secretary Glickman will address the Second Harvest national conference in San Diego, CA, where he will discuss food rescue.
- **USDA To Promote Farmers' Markets:** On June 27, Secretary Glickman will open the USDA Farmers' Market at Department headquarters, with remarks by Secretaries Pena and Slater and Rep. Norton. This year's farmers' markets will be held at USDA every other Friday through October, with one final market just before Thanksgiving. The farmers' market benefits small and limited resource farmers, and unsold food will be gleaned and donated to the hungry. The Department is also organizing farmers' markets for alternating Fridays at the Department of Energy.
- **Agreement To Be Signed On Fair Housing:** On July 11, Secretaries Glickman and Cuomo will sign an agreement that will enable people whose housing comes through USDA to receive the protection of the Fair Housing Act that the Department of Housing and Urban Development enforces.
- **Update On Elevated Dioxin Levels In Poultry:** Industry testing has indicated that a feed component may be the source of elevated levels of dioxin found in two of 80 poultry samples from Arkansas and Texas in a recent national survey. USDA, the Environmental Protection Agency, and the Food and Drug Administration are investigating the grain operations where the feed was purchased.
- **Disaster Assistance Update:** Secretary Glickman announced June 20 that emergency livestock grazing will be permitted on Conservation Reserve Program acreage in some

areas suffering from droughts and other severe weather conditions in 1997 and the residual effects of 1966 floods and other disasters. Emergency grazing will be permitted where severe natural disasters have affected the yield of hay and pasture this year.

USDA is providing \$166 million in 26 states to repair damages from natural disasters. The Department will also offer a floodplain easement option to provide for the restoration of a natural floodplain as an alternative to traditional attempts to restore damaged levees, lands, and structures.

Farm Services Agency county offices will accept applications from June 30 to July 25 for the Livestock Indemnity Program, which will benefit producers who lost livestock and poultry in areas declared a Presidential or Secretarial disaster between October 1, 1996 and June 12, 1997.

- **Work Continues On Florida Medfly Situation:** Heavy local and national media interest continues to surround the Mediterranean fruit fly (Medfly) outbreak in Tampa, FL. On June 20, USDA announced an interim rule establishing federal quarantine parameters in Hillsborough County to help prevent spread of the pest. Some residents and environmentalists are expressing their concern over aerial pesticide spraying; critics want officials to rely on alternatives, such as sterile fly release. Florida officials will soon begin releasing 200 million sterile Medflies weekly. This week, Florida officials also increased spraying at night and posted inspectors at airports to ensure that travelers do not take fruit out of the quarantined area. The Department is keeping foreign officials informed on the Medfly situation to minimize the impact on U.S. citrus exports.
- **Florida Citrus Canker Update:** As of June 20, 327 of 650 Florida citrus acres surveyed were found to be infected by citrus canker. Survey teams are inspecting residential properties and commercial groves in a 1.5-square-mile area around positive sites. This week, state officials began burning infected trees in the quarantined area. Emergency regulatory action is being taken to prevent any additional spread of the disease. The outbreak could have fallout effects for Florida citrus in the important European market, as the European Union lists canker as a key quarantine concern.
- **Dairy Update:** USDA Dairy Export Incentive Program activity this year continues at a higher rate than last year. From June 12-18, USDA approved a total of 443 metric tons (MT) of nonfat dry milk to Asia and the former Soviet Union, 391 MT to the Caribbean, Central and South America, and 153 MT to Africa and the Middle East. The Department also approved 29 MT of anhydrous milkfat to Asia and the former Soviet Union, 348 MT of whole milk powder to the Caribbean, Central and South America and 34 MT to Africa and the Middle East, and 66 MT of mozzarella cheese to Africa and the Middle East.

April sales of fluid milk products were 0.6 percent higher than in April 1996, the first increase from year earlier levels in five months, more than likely due to the timing of the

Easter Season in 1997 compared to 1996. May milk production in the 20 reporting states was 2.1 percent higher than a year ago with the number of milk cows down 1.1 percent and milk output per cow up 3.2 percent.

- **Logging Halted On National Forest:** On June 20, Forest Service officials in the Southern Region announced a halt on logging on the Daniel Boone National Forest in Kentucky, affecting 41 active sales covering more than 3,000 acres. The announcement came days after the District Court of Kentucky ruled the agency could not use policies it had been using until the Forest Plan is amended to incorporate them. USDA is working with the Department of Justice in considering options for appeal of the ruling.
- **Court Dismisses Lawsuit On Alaska Timber Sales:** On June 9, the District Court for Alaska ruled in favor of the federal government in Alaska Center for the Environment v. Hudson, dismissing claims by environmental groups that the Moose Pass salvage timber sales violated the National Environmental Policy Act and the National Forest Management Act, but issued a 10-day injunction against road building pending appeal to the Ninth Circuit Court of Appeals. On June 20, the Ninth Circuit Court of Appeals issued a stay pending appeal.
- **Vesicular Stomatitis Found In New Mexico:** Since June 17, vesicular stomatitis (VS) has been diagnosed in four horses in western New Mexico. As previously reported, VS was also confirmed May 27 in a colt in Arizona. VS, a viral disease that causes blisters in horses, cattle, and swine, can prevent movement of animals from state to state and internationally. Quarantines have been placed on the locations in which the suspect animals were found.
- **Karnal Bunt Update:** On June 17, the Arizona Department of Agriculture announced new Karnal bunt test results that suggest that spores found in an infected wheat/ryegrass mixture can cause the disease in wheat. Based on these findings, Arizona officials want USDA to remove existing Karnal bunt regulations on Arizona wheat growers. The Department is reviewing the results submitted by the state, but has no plans to alter existing regulations. These test results, along with other research on the spores that cause Karnal bunt, will be discussed at an upcoming international symposium on Karnal bunt in Raleigh, NC, August 17-20.
- **Trade Developments:** Secretary Glickman traveled to London, June 19-22, where he addressed the International Grains Council conference on freer trade relations, including continuing China's MFN status.

The first shipment ever of U.S. sweet cherries from Washington state arrived in Shanghai, China on June 19.

The tight supply of soybeans in the United States has prompted some processors to

import beans from other countries. In May, tight supplies prompted Owensboro Grain to purchase Brazilian soybeans.

- **Agricultural Markets In Review:** For the week ending June 23, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.92	-0.38	-2.03
Corn \$/bu	2.65	-0.08	-2.14
Soybeans \$/bu	8.31	0	+0.52
Rice \$/cwt	12.22	0	+2.81
Cotton ¢/lb	71.15	+0.53	-8.94
Steers \$/cwt	64.30	+1.10	+2.90
Hogs \$/cwt	57.50	+0.45	+2.30
Broilers ¢/lb	60.10	+0.03	-2.77
Cheese \$/lb	1.17	0	-0.32
Butter \$/lb	1.05	0	-0.34

The week ending June 23, wheat prices fell sharply as the winter harvest continued to advance rapidly. Corn prices fell as crop conditions remain favorable. Soybean prices fell as exports from Brazil continue to build and crop conditions in the United States remain good. Cotton prices rose slightly, reflecting near-term supply concerns. Good beef movement over the Father's Day weekend helped boost steer prices. Hog prices rose as packers reported uncertain supplies.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Food Safety Update:** On June 16-17 in Sioux Falls, SD, USDA held a public meetings on "Interstate Distribution of State-Inspected Meat and Poultry Products," and will hold a third public meeting on July 22 in Washington, DC.

USDA notified inspected plants June 19 that in July, USDA will begin intensified microbiological sampling and testing of ready-to-eat dry/semidry sausages for other pathogens of public health concern, such as Salmonella and Listeria monocytogenes, in addition to current monitoring for E. coli O157:H7 and staphylococcal enterotoxin.

On June 26, USDA, the Food and Drug Administration, and the Centers for Disease Control will hold the first of three public meetings to discuss issues related to effective retail food control programs in Atlanta, GA.

- **Welfare Reform Update:** During the period June 17-25, USDA approved a request for the Ute Mountain Indian Reservation in Colorado for an exemption from welfare reform provisions which limit food stamp program participation to three months in any 36-month period for able-bodied adults without dependents between ages 18-50 unless the affected individuals are employed an average of 20 hours per week or are participating in a work program. Approval was based on recently developed data that indicated an unemployment rate over 10 percent for the reservation. During the same period, the Food Stamp Program also received requests to exempt additional areas in Minnesota and California; review of the requests is pending.
- **Food Rescue/Gleaning Update:** On June 23, Secretary Glickman addressed Bread for the World about feeding the hungry.

III. NOTABLE CONGRESSIONAL ACTIVITY

Congressional Hearings:

- June 26 -- House Appropriations Committee full committee markup of FY98 Interior appropriations (which includes Forest Service funding).
- June 26 -- Senate Energy and Natural Resources Subcommittee on National Parks, Historic Preservation, and Recreation on Hells Canyon River Management.
- June 26 -- Senate Energy and Natural Resources Subcommittee on Forests and Public Land Management on Boundary Waters Canoe Area.
- June 26 -- House Agriculture Subcommittee on Livestock, Dairy, and Poultry on reauthorization of dairy indemnity program.
- June 27 -- House Education and the Workforce Subcommittee on Workforce Protections field hearing, Biglerville, PA, on Migrant and Seasonal Agricultural Worker Protection Act.
- June 30 -- House Resources Subcommittee on Energy and Mineral Resources field hearing, Casper, WY, on oil and gas leasing.
- July 8 -- Senate Agriculture, Nutrition, and Forestry Committee on rural electric loan portfolio and electricity deregulation.
- July 9 -- Senate Energy and Natural Resources Committee and House Resources Committee on Tongass Plan Revision.
- July 9 -- House Agriculture Subcommittee on Forestry, Resource Conservation, and Research on agricultural extension and education programs.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

June 28 -- with Vice President, Pioneer Hybrid Seed Company, Johnson, IA.

June 30 -- Pre-Tahoe Summit Workshop, South Village Tahoe, NV.

July 1 -- Second Harvest national conference, San Diego, CA.

July 2-6 -- personal leave.

July 8 -- Commodity Club, Washington, DC.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

June 30 -- Pre-Tahoe Summit Workshop, South Village Tahoe, NV.

VI. SUB-CABINET SCHEDULE

Under Secretary for Rural Development Jill Long Thompson:

- July 12 -- National Association of Counties, Baltimore, MD.

Under Secretary for Natural Resources and Environment Jim Lyons:

- June 29-30 -- Pre-Tahoe Summit Workshop, South Village Tahoe, NV.
- July 23 -- Forest Service recreation summit, Albuquerque, NM.

Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keefe:

- July 7 -- Team Nutrition Summer Institute, Durham, NH.

Acting Under Secretary for Food Safety Tom Billy:

- July 12 -- American Association of Meat Processors, Reno, NV.
- July 25 -- Southwest Meat Association, Branson, MO.

Acting Under Secretary for Research, Education, and Economics Catherine Woteki:

- June 28 -- with Vice President, Pioneer Hybrid Seed Company, Johnson, IA.

Acting Chief Information Officer Anne Reed:

- July 8 -- Industry Advisory Council symposium, Washington, DC.
- July 12-20 -- U.S. delegation to Joint Committee on Natural and Man-Made Emergency Prevention and Response (Gore-Chernomyrdin Commission), Lake Baikal, Russia.

VII. PRESS/MEDIA INQUIRIES

- *CBS 48 Hours* has been working on a story on food safety for several months for a story scheduled to air in July.
- *Reuters News* contacted USDA about the Administration's food safety initiative and the

economics of food safety.

- *Supermarket News* and *Consumer Reports* requested information on the estimated annual costs of foodborne illness in the United States.
- *USA Today* contacted USDA concerning production flexibility contract payments.
- *CNN* requested information on Africanized honey bees for a story likely to run in June.
- *CNN* and the *Chicago Tribune* requested information on the Coulston Foundation and its management of the Air Force's chimpanzees at Holloman Air Force Base in New Mexico. APHIS confirmed that Coulston settled a case with USDA in 1996 for \$40,000 and that it is currently under investigation by the Department.
- *ABC News 20/20* requested background information on USDA mislabeling activity for possible use in an expose' about industries that mislead consumers through mislabeling.
- *NBC Today Show* is preparing a story on the Mediterranean fruit fly situation in Tampa, FL, where aerial spraying has begun.
- *The Washington Post* requested data on class action suits filed by employees against USDA for a story on class action suits in the federal government.
- *Wall Street Journal*, *Associated Press*, and *CNN* requested information on tobacco promotion in various USDA export programs.
- *National Journal* requested information on converting county employees to federal employees and information on talks between congressional leaders and USDA leadership about the future of the county-based delivery system. Secretary Glickman and Hill leaders met about this issue two weeks ago.

VIII. FOIA REQUESTS

- The Center for Public Integrity requested correspondence relating to food safety.
- The Memphis, TN *Commercial Appeal* requested correspondence between USDA and the National Cotton Council of America, as well as records of Department payments to cotton and rice producers.

IX. WEEKEND CONTACT

Patrick Steele

(Patrick, I need your home and pager numbers)

July 2, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of June 30, 1997

I. KEY DEPARTMENT NEWS

- **USDA Study Finds Significant Food Waste:** More than one-fourth of all the food produced in the United States is wasted, according to a new USDA study released July 1 by Secretary Glickman at the annual meeting of Second Harvest in San Diego, CA. The study, the first of its kind in 20 years to examine and quantify food loss, found that in 1995 about 96 billion lbs of food, or 27 percent of the 356 billion lbs of food available for human consumption in the United States, were lost at the retail, consumer, and food service levels.

- **Civil Rights Update:** On July 17, Secretary Glickman will testify before the House Agriculture Committee on civil rights issues.

- **Disaster Assistance Update:** USDA has allocated \$50 million from the Supplemental Appropriations bill for immediate use to help farmers rehabilitate land, restore permanent fencing, and build conservation structures damaged or destroyed by natural disasters, and is keeping \$20 million in reserve.

Iowa Farm Service Agency state and county offices are coordinating the "Adopt a North Dakota Farm Family" program, in which the agency is working with the North Dakota Department of Agriculture in matching volunteers from Iowa with farmers in North Dakota who need help repairing buildings, homes/fences, and clearing debris.

The Minnesota Rural Development state office participated in a statewide federal and state training meeting June 30 in Moorhead, MN for local flood recovery coordination to help flood victims connect with state and federal recovery resources.

- **Update On Elevated Dioxin Levels In Poultry:** USDA is continuing to work with HHS and EPA to discover the cause of dioxin contamination of two chickens sampled in the EPA monitoring program.
- **Boise National Forest Cited by Occupational Safety and Health Administration:** On June 19, the Boise National Forest in Idaho was issued a citation by the Occupational Safety and Health Administration (OSHA), alleging unsafe working conditions, which

resulted in the death of an employee. The citation stated that management manufactured, tested, and directed employees to use on-site shop-made firearms that lacked appropriate safety mechanisms. Forest Service officials have requested an informal conference with OSHA to discuss the matter.

- **USDA Awards 1890s Institution Teaching/Research Grants:** USDA on June 30 completed awarding \$9.2 million for 39 projects (23 teaching and 16 research) to strengthen teaching and research programs in the food and agricultural sciences at the Historically Black 1890s Land-Grant Institutions and Tuskegee University.
- **States Receive \$233.2 Million In National Forest Payments:** During the week of June 23, USDA announced that an estimated \$233.2 million in payments will be shared among 41 states and Puerto Rico from FY97 national forest receipts collected from land-use fees and sale of resources. Interim payments of 75 percent of the estimated state shares of national forest receipts will be made in October, with the balance to be paid in December when final revenue figures are available.
- **USDA Investigation Disproves U.S. Radish Seeds Cause Of Disease Outbreak In Japan:** USDA research has helped determine that U.S. seeds were not related to recent outbreaks of hemorrhagic colitis in Japan linked to radish sprouts.
- **Asian Long-Horned Beetle Enters United States:** On June 3, California state inspectors found three species of wood boring beetles had emerged from wood crating that contained tools shipped from China to California. One of the borers appears to be an Asian long-horned beetle, the same insect that caused damage in Brooklyn, NY. The crates remaining in California have been fumigated and USDA has tracked down the locations of the other shipments and is working on the problem.
- **First Live Fish Vaccine To Be Tested:** USDA will begin field testing a recently developed vaccine for prevention of enteric septicemia (ESC), a major disease of catfish, by immunizing 4 million-5 million fry and fingerlings. USDA projects that the vaccine will prevent an estimated \$20 million-\$30 million in ESC losses annually.
- **Team Nutrition's Success Again Recognized:** Team Nutrition, USDA's nutrition promotion and education program that is improving children's eating habits and ultimately their health, will receive the American Dietetic Association's President's Circle Nutrition Education Award at the group's annual meeting October 28 in Boston, MA. This is the third national organization to recognize Team Nutrition's success at motivating and supporting families, schools, and communities to improve children's nutrition. Team Nutrition has also received the Society for Nutrition Education's 1997 Excellence in Nutrition Education Award and the Public Relations Society of America's Silver Anvil Award in public service.

- **Food Bought For Domestic/Foreign Aid Programs:** On June 24, USDA purchased 36 million lbs of grain, valued at \$12 million, and 10 million lbs of dairy products, valued at \$11 million for various feeding programs. Another 6 million lbs of cheese, valued at more than \$8 million, will be sent to feeding programs in September and October.

USDA purchased 5,000 metric tons of hard red winter wheat, worth nearly \$750,000, on June 18 for shipment to Kenya and distribution through Catholic Relief Services and World Vision. A June 20 purchase of more than 36,000 tons of wheat, worth \$5 million, will help feed the hungry in Armenia.
- **Secretary Glickman Promotes Farmers' Markets:** Secretary Glickman was joined by Secretaries Pena and Slater June 27 to kick off an expanded season of USDA-sponsored farmers' markets. Half the participating farmers are minorities, building on USDA's commitment to help small and minority producers attract new sources of income.
- **Rainbow Family Gathers in Oregon:** The Rainbow Family of Living Light has begun gathering for its June 28-July 10 annual reunion at the Ochoco National Forest, Oregon. The Forest Service expects 20,000 participants before July 4.
- **Interior Columbia Basin Ecosystem Management Project Update:** By way of satellite downlink, the Forest Service will conduct a public meeting on July 9 in 50 communities across six states to discuss the Interior Columbia Basin Ecosystem Management Project's two Draft Environmental Impact Statements.
- **National Forest Hosts Natural Resources Career Camp:** On July 13-25, the Mark Twain National Forest in Missouri will host high school participants, primarily minority youngsters, who learn about natural resource management careers. To date, 45 students have completed three summers of camp and of those, 25 are in college or will be going to college this fall.
- **Judge Orders Relief in Bull Trout Case:** On June 24, in Friends of the Wild Swan v. U.S. Forest Service, although the Oregon Federal District Court declined to enjoin any projects based on a May 2 finding that the PACFISH strategy is inadequate to protect Bull Trout, the court ordered the strategy to remain in effect until additional strategies, if needed, are identified; the Forest Service reassess PACFISH in light of new information; and the Forest Service to submit reports to the Court every 60 days.
- **Ag In The Classroom Conference Scheduled:** On July 9-12 in Nashua, NH, USDA will cosponsor the national Ag in the Classroom Conference, with over 200 participants from 47 states and several Canadian provinces expected to attend.
- **Florida Citrus Canker Update:** State and USDA officials discovered that two new commercial citrus blocks are infected with citrus canker during the reporting period

ending June 27. As of June 27, 11 commercial properties involving five owners plus one residential property have been found to be infected. One owner has voluntarily pulled his trees out of two citrus blocks and burning is about 25 percent complete on one 32-acre block.

- **USDA To Release Report On Commercial Farms:** On July 8, USDA will release a report, *Financial Performance of U.S. Commercial Farms, 1991-94*, which will show that commercial farms represent only 27 percent of farms in the United States, yet produce just over 75 percent of the value of agricultural products. Overall financial performance shows that the proportion of farms experiencing extreme financial stress remained stable over the past few years, and is considerably less than in the 1980s.
- **FY97 Rural Development Update:** As of June 26, USDA has made rural business and economic development loans and grants totaling over \$674 million, which will create nearly 11,000 and save over 14,000 jobs.

The Department has also made nearly \$434 million in direct housing loans and over \$1.2 billion in guaranteed housing loans, which have housed nearly 27,000 families and created over 30,000 jobs. In addition, the Department has obligated over \$31.5 million in home repair loans and grants, in which 6,554 families and elderly individuals have been able to make their homes habitable and free from fire and safety hazards.

As of June 27, 775 water and waste disposal projects totaling over \$1 billion in loans and grants and serving about 542,000 users have been funded.

- **Trade Developments:** USDA announced a final rule, which becomes effective August 25, allowing the importation of fresh, chilled, or frozen beef from Argentina. This action opens the door for Argentina to export beef to the United States under the 20,000 ton tariff rate quota negotiated bilaterally as part of the Uruguay Round.

Secretary Glickman announced the 1997/98 Export Enhancement Program (EEP) allocations for eligible commodities June 30.

Foreign Agricultural Service Administrator Gus Schumacher participated in a meeting with high-level French officials in Paris the week of June 23, including a representative from the new Prime Minister's office, the first agricultural meetings since the change in government.

- **Agricultural Markets in Review:** For the week ending June 30, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.48	-0.44	-2.31
Corn \$/bu	2.50	-0.15	-2.31
Soybeans \$/bu	8.10	-0.21	+0.43
Rice \$/cwt	12.22	0	+2.81
Cotton ¢/lb	72.19	+1.04	-5.45
Steers \$/cwt	63.74	-0.56	+2.93
Hogs \$/cwt	59.35	+1.85	+4.25
Broilers ¢/lb	60.76	+0.66	-2.91
Cheese \$/lb	1.17	0	-0.33
Butter \$/lb	1.05	0	-0.39

The week ending June 30, wheat prices fell sharply as harvest progressed and yields were reported to be above expectations. Soybean prices declined on improved weather conditions and following release of USDA's June 30 planted acreage and stocks reports that showed that plantings are nearly 7 million more than a year ago and the third highest on record.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- Food Safety Update:** The USDA testing program for E. coli O157:H7 reported its first positive test for the bacterium in the FY97 cycle on June 27. The Food Safety and Inspection Service (FSIS) worked with the plant to monitor a recall of unused product from several restaurants. Until June 27, a total of 4,496 samples of raw comminuted beef products tested in FY97 had resulted in no positive confirmations.

On June 26 in Atlanta, GA, USDA, the Food and Drug Administration, and the Centers for Disease Control held the first of six regional grassroots meetings toward the development of national program standards for State and local retail food protection programs. The other five meetings are scheduled for Dallas, TX (July 22); Pittsburgh, PA (August 14); Portland, ME (August 19); Portland, OR (August 21); and Chicago, IL (August 27).

Food Services of America Inc., a Washington state food wholesaler, was sentenced and fined \$1 million in a U.S. district court in Seattle on June 20, based on charges resulting from an investigation conducted by FSIS officials. The company was

sentenced on two misdemeanor counts for offering adulterated meat and poultry products for sale or transportation in commerce.

- **Welfare Reform Report:** During the period June 20-27, the Food Stamp Program approved a three county request from Pennsylvania for an exemption from welfare reform provisions which limit food stamp program participation to three months in any 36-month period for able-bodied adults without dependents between ages 18-50 unless the affected individuals are employed an average of 20 hours per week or are participating in a work program. The Food Stamp Program also advised Pennsylvania that additional information would be required before a waiver could be approved for four additional counties.

The Food Stamp Program received a new request from California to exempt six neighborhoods in San Francisco based on insufficient jobs. Waiver requests were also received from Minnesota to exempt nine more counties, and from Virginia to exempt an additional 19 counties.

- **Lake Tahoe Basin Update:** Secretaries Glickman and Babbitt traveled to South Village Tahoe, NV June 30 to lead the Forest Ecosystem Restoration, Recreation, and Tourism workshop on how to protect, enhance, and restore the health of the Lake Tahoe Basin ecosystems. The workshop is the second of three workshops Administration officials will hold in preparation for the Lake Tahoe Presidential Forum, 25 and 26.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Budget Reconciliation Legislation Approved:** On June 25, the House and Senate approved their respective versions of budget reconciliation legislation. As adopted, each of the bills provide \$1.5 billion in additional funding for the Food Stamp Program.
- **House Appropriations Update:** On June 25, the House appropriations subcommittee approved legislation to fund agriculture, rural development, and nutrition programs at \$49.4 billion for FY98. Significant changes in the Administration's request included a cut in Export Enhancement Program funding to \$270 million and an increase in PL480 Title I of \$100 million.

Congressional Hearings:

- July 8 -- Senate Agriculture, Nutrition, and Forestry Committee, rural electric loan portfolio and electricity deregulation.
- July 9 -- Senate Energy and Natural Resources Committee and House Resources Committee joint hearing, Tongass Plan Revision.
- July 15 -- House Resources Committee, Administration's proposal on American Heritage Rivers Initiative.
- July 17 -- the House Agriculture Committee on civil rights.

- July 17 -- House Resources Committee on Forests and Forest Health on the decision-making process of the Forest Service.
- July 31 -- Senate Agriculture, Nutrition, and Forestry Committee on food security in Africa.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- July 2-6 -- personal leave.
- July 8 -- Commodity Club, Washington, DC.
- July 11 -- fair housing signing with Secretary Cuomo, Washington, DC.
- July 17 -- U.S. Agricultural Export Development Council and Global Agricultural Attache Conference, Washington, DC.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- No major travel scheduled.

VI. SUB-CABINET SCHEDULE

Under Secretary for Rural Development Jill Long Thompson:

- July 7 -- USDA Federal Women's Program Managers and other women employees attending Federally Employed Women conference, Dallas, TX.
- July 12 -- National Association of Counties, Baltimore, MD.
- July 28-29 -- National Food and Energy Council, Branson, MO.

Under Secretary for Natural Resources and Environment Jim Lyons:

- July 23 -- Forest Service recreation summit, Albuquerque, NM.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- July 10 -- National Organization of Professional Hispanic Natural Resource Conservation Service Employees, Dallas, TX.

Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keefe:

- July 7 -- Team Nutrition Summer Institute, Durham, NH.

Acting Chief Information Officer Anne Reed:

- July 12-20 -- U.S. Delegation to the Joint Committee on Natural and Man-Made Emergency Prevention and Response (Gore-Chernomyrdin Commission), Lake Bakal, Russia.

VII. PRESS/MEDIA INQUIRIES

On July 9 or 10, *CBS 48 Hours* is expected to air a program on foodborne illness. During the year, several *CBS* reporters followed public and union meetings, and interviewed government, industry, and advocacy representatives.

NBC News interviewed the Farm Service Agency Virginia State Executive Director concerning farm credit activities in relation to civil rights issues.

Channel Earth interviewed the Farm Service Agency Deputy Administrator about the Livestock Indemnity Program. The *Channel Earth* station on the DirectTV satellite service, focuses on farm and environmental issues, and is available to more than 2.5 million households in rural and farming communities.

On July 2, Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe was interviewed by Washington, DC's *FOX News* on the Food Stamp Program's Electronic Benefits Transfer program and its impact in the local area.

Good Morning America inquired about new fresh fruits and vegetables.

U.S. News and World Report requested information about research and commercial applications using compost products.

Jim Lehrer News Hour asked for information on ethanol production capacity.

Dateline NBC requested information on individual state shares of U.S. strawberry production.

New York Times requested background information on welfare reform and the status of waivers for able-bodied adults without dependents and food stamps.

The Washington Post asked for background on a class action suits filed by employees against USDA, a response to the bison problem at Yellowstone National Park, and the outlook for tobacco farmers.

VIII. FOIA REQUESTS

Iowa Citizens for Community Improvement, Des Moines, IA, requested correspondence and documents that relate to a meeting called the "Environmental Dialogue of Pork Production," which took place on May 23, in Arlington, VA. The meeting was sponsored by America's Clean Water Foundation and funded by USDA, the Environmental Protection Agency, and the National Pork Producers Council.

IX. WEEKEND CONTACT

- Greg Frazier

Home: (202) 543-7643
Pager: 1-800-710-5528

July 9, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of July 7, 1997

I. KEY DEPARTMENT NEWS

- **Update On Elevated Dioxin Levels In Poultry:** On July 8, USDA advised owners of poultry, livestock, and eggs that the commodities may have been exposed to high levels of dioxin in animal feed produced by Riceland Foods Inc. and Quincy Soybean Company, that may render resulting food products adulterated. While USDA is not recalling products, the Department's notice instructs plants to take steps immediately to assure that animals or eggs do not contain elevated levels of dioxin as a result of animal exposure to contaminated feed. Unless tested below tolerance levels, suspect product cannot be sold.
- **Federal Project Organized To Correct Weighting Of Dairy And Juice Products:** On July 17, USDA, Federal Trade Commission, Department of Commerce, and Food and Drug Administration officials will announce a joint federal-state monitoring and education effort to reduce high failure rate of dairy and juice products to meet required quantities as found in a recent FTC study. This issue will receive significant attention from Congress, the media, consumer groups, and the public.
- **Secretaries Glickman/Cuomo To Sign Fair Housing Agreement:** On July 12, Secretaries Glickman and Cuomo will sign an agreement strengthening enforcement of fair housing rights in rural housing that gives jurisdiction over USDA's rural housing discrimination complaints to the Department of Housing and Urban Development.
- **Civil Rights Update:** In order to reduce the number of backlog 1,504 civil rights cases, USDA will attempt to settle 761 of them through alternative dispute resolution (ADR). Since April 1, USDA has settled 137 cases from the ADR equal employment opportunity backlog. Since the beginning of the backlog project, 212 cases have been closed.

- **Disaster Relief Update:** USDA is expediting approvals for emergency haying and grazing of eligible Conservation Reserve Program (CRP) acreage to relieve farmers and ranchers affected by drought, floods, and other severe weather this year.

In North Dakota, 40 Natural Resources Conservation Service (NRCS) employees are working on flood relief projects, including debris removal, identification of projects for hazard mitigation, and health and safety issues such as those involving roads that have been covered with water. NRCS is also working on damage survey reports which have been coming from counties and small communities in the state. Public meetings will begin the week of July 16 to provide information on the floodplain easement program.

- **USDA Participates In High School/High Tech Program:** The Beltsville, MD Agricultural Research Center has accepted five students from the High School/High Tech program to work this summer, in which youths with disabilities in the Prince George's and Montgomery County schools can gain early exposure to professions in the sciences and technology-related fields.
- **Sustainable Development Cooperative Agreements To Be Announced:** On August 30, USDA will announce selection of \$119,000 in cooperative agreements to implement pilot programs that utilize and integrate the resources of USDA, the Environmental Protection Agency, state extension services, and other partners in addressing sustainable development issues at the community-level.
- **USDA Reaches Out To Small Businesses:** USDA will purchase 42,000 lbs of milled rice from Barrios Distributing Company of San Diego, CA for a Sacramento food bank under the first contract as part of the Small Business Administration's 8 (a) program for small and disadvantaged businesses.
- **Florida Medfly And Citrus Canker Updates:** Florida Commissioner of Agriculture and Consumer Services Bob Crawford on June 26 requested additional funding from USDA for the Florida Medfly eradication program.

July 25 is the target date for release of sterile Medflies over the infested area in Hillsborough and Polk counties in Florida; the regulated area includes 711 square miles.

- **Demonstrations Planned For National Forests:** The Western Ancient Forest Campaign plans a demonstration in the Stanislaus National Forest in California protesting salvage logging resulting 1996 wildfires.

A Maryland chapter of the Ku Klux Klan has contacted George Washington and Jefferson National Forests officials in Virginia for a permit to hold a meeting at a recreation site for about 100 people.

- **Colorado Ski Area Decision Withdrawn:** On June 30, the Grand Mesa, Uncompahgre, and Gunnison National Forests supervisor in Colorado withdrew his July 15, 1996 decision to authorize expansion of Telluride Ski Company operations. The environmental impact statement for the project, which has generated considerable public attention, will be supplemented with analysis prepared by a new project manager before a new decision is reached.
- **Honeybees Imported From Russia To Fight Mites:** USDA scientists at the Honey Bee Laboratory in Baton Rouge, LA imported 100 fertile Russian queen bees July 1 in an attempt to save American honeybees from the deadly varroa mite, which has destroyed one out of three commercial hives nationwide and has almost wiped out wild bees.
- **Cherry Industry Board Recommends Marketing Order Volume Regulation:** On July 2, the tart cherry industry has recommended the first program to control product, recommending volume regulations for the 1997-98 season, a 34 percent set-aside based on USDA's tart cherry production July 1 estimate.
- **Flue-Cured Tobacco Advisory Committee Makes Recommendations:** On June 27, the Flue-Cured Tobacco Advisory Committee set the following opening dates for the 1997 flue-cured marketing season: Georgia-Florida belt -- July 22; South Carolina Border-North Carolina belt -- July 23; Eastern North Carolina belt -- July 29, and Virginia-North Carolina belt -- August 5.
- **Farmers' Markets Open:** USDA officials have helped with the opening of farmers' markets in Philadelphia, PA and Washington, DC. The Philadelphia market, sponsored by a local neighborhood citizens' association in collaboration with Reading Terminal Farmers' Market Trust and Allegheny University Hospital, and the Washington FRESHFARM Market, sponsored by American Farmland Trust, held its grand opening adjacent to the Dupont Circle Metro.
- **Food Bought For Foreign Aid Programs:** On June 20, USDA purchased 35,781 metric tons of hard red winter wheat for the Agency for International Development's (AID) Armenia Crisis Response Program.

On June 25, USDA purchased 3,500 metric tons of spring wheat, worth nearly \$1.1 million, for shipment to Honduras; 3,500 tons of parboiled rice, worth \$1.3 million for Burkina Faso; and 45,000 tons of hard red wheat, valued at \$6.3 million, for Ethiopia.

- **Hog Firm Expands To Mexico:** With concerns across the United States over new hog-raising facilities, Carroll Foods of North Carolina, one of the nation's leading pork-producing firms, has decided to build new hog feedlots Veracruz where it plans to produce 600,000 hogs per year at 12 locations for export to Japan.

- **Trade Developments:** On July 14, Secretary Glickman will meet with Kyrgyzstan President Akayev to discuss USDA program efforts in Kyrgyzstan.

On July 16, the Secretary will meet with Australian Minister of Primary Industries and Energy Anderson to discuss Australia's proposed meat inspection program.

On July 16, the Secretary will meet with Spain's Minister of Agriculture Palacio to discuss various trade issues.

USDA is working to protect the growing U.S. fruit export market from a new fumigation requirement Brazil may impose for certain fruit in response to alleged detections of Pacific spider mites and thrips in recent shipments of California stone fruit.

The United States could lose a 300,000-ton market for high fructose corn syrup exports following Mexico's temporary anti-dumping duties set June 25.

The hog cholera (swine fever) outbreak that has devastated the Dutch pig market this year has spread to Belgium, despite border controls in place for months, the first case of hog cholera in Belgium since the beginning of the current hog cholera epidemic in The Netherlands in February 1997.

- **Agricultural Markets in Review:** For the week ending July 7, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.39	-0.09	-2.07
Corn \$/bu	2.39	-0.11	-2.78
Soybeans \$/bu	7.28	-0.82	-0.43
Rice \$/cwt	12.22	0	+2.82
Cotton ¢/lb	72.10	-0.09	-4.33
Steers \$/cwt	63.66	-0.08	+0.63
Hogs \$/cwt	60.31	+0.96	+3.12
Broilers ¢/lb	62.01	+1.25	-3.24
Cheese \$/lb	1.17	0	-0.34
Butter \$/lb	1.05	0	-0.39

The week ending July 7, wheat prices fell, with some markets reporting the lowest prices in three years, due to higher spring wheat acreage, good harvest progress, and weak export sales. Corn prices fell as excellent crop conditions persist across the Corn Belt. Both rice and soybean prices fell from higher plantings than had been expected. Hog prices were up, due to lower inventories. Strong seasonal demand helped push broiler prices above 62 cents per lb. The basic formula price for milk was up 4 cents in June over May, ending a seasonal slide, but well below year-ago levels.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Outreach To Native American:** On June 17, the Oklahoma Farm Service Agency (FSA) state office hosted a meeting with representatives of five Native American tribes in Stillwater to develop a coordinated plan to ensure greater participation by Native American farmers in FSA county committee elections.

On July 7, the Montana FSA state executive director addressed the Montana/Wyoming meeting of the Intertribal Leaders Council, during which he highlighted economic opportunities for Native Americans.

On July 9-10, a USDA representative will address the Montana/Wyoming Indian Stockgrowers Association board meeting in Billings to outline FSA's outreach efforts to Native American producers.

- **Welfare Reform Report:** During the period July 2-9, the Food Stamp Program approved a request from Minnesota for an exemption for nine counties from welfare reform provisions which limit food stamp program participation to three months in any 36-month period for able-bodied adults without dependents between ages 18-50 unless the affected individuals are employed an average of 20 hours per week or are participating in a work program. Eight of the counties were approved based on insufficient jobs, and one county based on greater than 10 percent unemployment.

USDA also received a request from South Dakota for reconsideration of a request to exclude one Native American Reservation. The original request had been refused because it had been based on incorrect information.

USDA Rural Development's Centralized Servicing Center (CSC) in St. Louis, MO plans to staff 10 positions under the Welfare-to-Work program. The CSC is partnering with Hope House, the largest and most comprehensive transitional housing program for homeless families in St. Louis, to obtain candidates for employment.

- **Washington, DC Assistance Update:** USDA and the National Forest Foundation are working on an agreement to raise private funds to match public funds for the Challenge Cost Share Projects in the District of Columbia, an initiative which will address 10 major

themes including career opportunities, economic development, environmental justice, health and the environment, and volunteerism.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Appropriations Update:** On July 9, the House Appropriations Committee marked up FY98 appropriations measures approved by the Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Programs. Representative Skeen introduced an amendment to appropriate \$446,000 for the Office of the Under Secretary for Food Safety. This amount was deleted at the Subcommittee level. The bill is expected to reach the House Floor on July 10.

On July 15, the Senate Agriculture Appropriation Subcommittee will mark up FY98 appropriations for programs under its jurisdictions. The FY98 Appropriations markup will then go to the full Senate Appropriations Committee on July 17.

- **Tongass Update:** On July 9, the Senate Energy and Natural Resources Committee held a hearing regarding the Tongass Land Management Plan. On July 10, the House Resources Committee will hold a similar hearing.
- **House Hearing On Extension Programs:** The Forestry, Resource Conservation, and Research Subcommittee of the House Agriculture Committee held a hearing July 9 focusing on agricultural extension and education programs.

Congressional Hearings:

- July 15 -- House Resources Committee hearing on Administration's proposal on American Heritage Rivers Initiative. Secretary Glickman will testify.
- July 15 -- House Agriculture Committee on wildfire management.
- July 16 -- Senate Agriculture, Nutrition, and Forestry Committee on energy security and agricultural energy use.
- July 16 -- House Agriculture Subcommittee on Forestry, Resource Conservation, and Research on reauthorization proposals in agricultural research.
- July 17 -- Senate Agriculture Subcommittee on Forestry, Conservation, and Rural Revitalization on Northern Forest Stewardship Act.
- July 17 -- House Agriculture Committee on civil rights. Secretary Glickman will testify.
- July 24 -- House Agriculture Committee on Interior Columbia Basin Draft and Environmental Impact Statement.
- July 24 -- House Resources Committee on Forests and Forest Health on the decision-making process of the U.S. Forest Service.
- July 31 -- Senate Agriculture, Nutrition, and Forestry Committee on food security in Africa.
- July 31 -- Senate Agriculture, Nutrition, and Forestry Committee on how trade opportunities and international agricultural research can stimulate economic growth in

Africa, enhancing African food security and increasing U.S. exports. Secretary Glickman will testify.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- July 11 -- fair housing signing with Secretary Cuomo, Washington, DC.
- July 14 -- press conference announcing Small Farms Commission.
- July 17 -- U.S. Agricultural Export Development Council and Global Agricultural Attache Conference, Washington, DC.
- July 18-20 -- personal leave.
- July 25-26 -- Lake Tahoe Basin Forum, Lake Tahoe, NV.

V. DEPUTY SECRETARY'S SCHEDULE

- July 25-26 -- Lake Tahoe Basin Forum, Lake Tahoe, NV.

VI. SUB-CABINET SCHEDULE

Under Secretary for Rural Development Jill Long Thompson:

- July 28-29 -- National Food and Energy Council annual conference, Branson, MO.

Under Secretary for Natural Resources and Environment Jim Lyons:

- July 14 -- visit Appleton and Green Bay, WI with Rep. Johnson to discuss the possibility of an American Heritage River designation for the Fox River.
- July 23 -- Forest Service recreation summit, Albuquerque, NM.
- July 25-26, Lake Tahoe Basin Forum, Lake Tahoe, NV.

Assistance Secretary for Marketing and Regulatory Programs Michael Dunn:

- July 10 -- Training Conference for the National Organization of Professional Hispanic Natural Resource Conservation Service Employees, Dallas, TX.

Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe:

- July 22-24 -- Society for Nutrition Education (SNE) annual conference, Montreal, Canada. Team Nutrition, USDA's nutrition and education program that is improving children's eating habits, will be awarded SNE's 1997 Excellence in Nutrition Education Award for Team Nutrition.
- July 26-28 -- American Culinary Federation annual convention, Atlanta, GA.

Acting Chief Information Officer Anne Reed:

- July 12-20 -- U.S.-Russian Federation Joint Committee on Natural and Technological Disaster Prevention and Response (Gore-Chernomyrdin Commission), Lake Bakal,

Russia.

VII. PRESS/MEDIA INQUIRIES

- *CBS Morning News* will tape an interview with Secretary Glickman July 8 on civil rights, to be aired next week.
- *CBS 48 Hours* is expected to air a segment on food safety and meat inspections on July 10.
- *CBS News* is prepared to air their footage of rookie smokejumpers at the Redmond Air Center in Redmond, OR.
- *The Discovery Channel* is financing the production of an IMAX film featuring the smokejumpers and heli-rapellers from the McCall Air Center on the Payette National Forest in Idaho. The final product will be 40 minutes long and will be shown in 50 IMAX theaters in the United States. Filming will start on July 7.
- *NBC News* will interview volunteers on the Mt. Rogers National Recreation Area in Virginia about the benefits of volunteers to recreation.
- *CNN News* is proposing to produce a story on fire management, prescribed burning, and smokejumpers.
- *USA Today* requested an interview to discuss status of food stamps and waivers for able-bodied adults without dependents.
- *The Washington Post* and *ABC Nightline* asked how the federal tobacco program works; there was no discussion of the proposed cigarette company settlement.
- *The Washington Post* is investigating alleged rapes of two women by two Marine Corps servicemen in a Forest Service campground on the Mt. Hood National Forest in Oregon.
- *Federal Times* requested an interview with the Secretary on civil rights.
- *Associated Press* interviewed members of the Earth Conservation Corps at the National Arboretum in Washington, DC about their work with eagles.
- USDA's food safety holiday packet is scheduled to go to 400 magazine food and health editors and 3,000 newspaper editors the week of July 7 and in early September.
- Press for the Water 2000 events has been positive, with over 100 articles received from around the country.

VIII. FOIA REQUESTS

- *Commercial Appeal* requested cotton payment records citing a recent Washington, D.C. Federal Court of Appeals decision in favor of *The Washington Post*, which also sought cotton payment records.

IX. WEEKEND CONTACT

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