

July 16, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of July 14, 1997

I. KEY DEPARTMENT NEWS

- **Update On Elevated Dioxin Levels In Poultry:** On July 9, USDA provided Food Safety and Inspection Service district managers and plant owners and operators with guidance about poultry, livestock, and eggs that may be contaminated with residues of dioxin at levels that would render the resulting food products adulterated. The levels of dioxin in feed and in foods produced from animals that consumed the feed present no immediate public health risk for food consumers or handlers, and USDA, the Food and Drug Administration, and the Environmental Protection Agency are acting to protect the public from dioxin contaminated feed and food.

On July 8-9, USDA, EPA and FDA officials briefed House and Senate Agriculture Committee staff regarding procedures that will govern further use and distribution of poultry, livestock, and eggs that may be contaminated with unsafe levels of dioxin. Members from affected states such as Arkansas and Mississippi have concerns about the cost of testing required for affected product to be sold to consumers, as well as the level of dioxin that the agencies have indicated will trigger adulteration.

- **Food Stamp Error Rates Continue Decline:** On June 30, USDA announced FY96 error rates for the Food Stamp Program declined for the third consecutive year to 9.22 percent, the lowest error rate ever achieved, resulting in savings of \$660 million.
- **Civil Rights Update:** As of July 2, 217 of the total 1,504 civil rights backlog complaints were closed. There are 468 cases targeted for alternative dispute resolution and negotiated settlement.

During the week of July 1, 106 civil rights cases were sent to the Federal Mediation and Conciliation Service (FMCS) for mediation. Working on the July 31 time line, FMCS will initiate the mediation process the week of July 14. FMCS success rate for EEO cases is above 60 percent.

- **USDA Continues Assistance To Livestock Producers:** Signup for USDA's Livestock Indemnity Program has been steady, but slightly lighter than anticipated, and will continue through July 25. To ensure that counties affected by natural disasters receive the necessary disaster declaration to participate, USDA has expedited approval for Secretarial and Presidential disaster designations. During the week of July 7, Secretary Glickman approved disaster declarations for counties in Arkansas, Colorado, Kansas, Nebraska, New Mexico, Oklahoma, Oregon, South Dakota, Texas, and Wyoming. Designated counties are also eligible for USDA emergency loans.
- **USDA Funds Help Family Sized And Low-Income Farmers:** To assist small and family farmers, USDA has dispersed nearly \$2.2 million in guaranteed farm ownership funds to enable 13 family size farmers to purchase land, refinance creditors, and pay development costs and will use \$32 million in direct operating national loan funds to ensure that about 800 low-income family size farmers have credit.
- **Florida Medfly And Citrus Canker Updates:** Pest incidence continues to spread. USDA amended the medfly regulations by expanding the current quarantined area in Hillsborough County and adding areas in Manatee and Polk Counties. Canker is now confirmed in 14 properties, all in Manatee County.
- **USDA Research Successful:** The USDA Forest Products Laboratory and Consolidated Papers of Wisconsin Rapids will produce by early August the first commercial-scale run of paper made with biopulping technology, a new technique that uses wood-decay fungi to soften wood chips before they are pulped for making paper. This process could potentially save the paper industry millions of dollars in energy costs while producing stronger paper.

The USDA Southern Regional Research Center in New Orleans, LA has developed granular activated carbons (GACs) from nut shells that can be used to remove a troublesome group of water pollutants referred to as polar organics. Many polar organics, such as methanol and acetone, are not well absorbed by most commercial GACs. USDA is working with a partner which is interested in licensing the technology and producing pecan shell-based carbons to clean up organic pollutants.

- **Modoc National Forest Denies Permit:** On July 8, the Modoc National Forest in California announced its decision to deny the Sierra Pacific Power Company's request for a right-of-way for a project that would bring power 160 miles from northeastern California to Reno, NV.

- **Organization Faces Proposed Debarment:** On July 16, USDA notified Minority Enterprise Financial Acquisition Corporation regarding a proposed debarment of the organization due to refusal to pay back \$150,000 used in violation of a cooperative agreement between the Natural Resources and Conservation Service.
- **USDA To Award \$2 Million In Extension Grants:** By September 30, USDA will award \$2 million for the new Extension Work at 1994 Land-Grant Institutions program authorized in the Improving America's Schools Act of 1994. The 1994 Native American land-grant institutions are located in 12 states that have 1862 land-grant universities.
- **Karnal Bunt Update:** A proposal published in the July 11 *Federal Register* will amend Karnal bunt regulations by adding compensation provisions for certain growers, handlers, owners of grain storage facilities, flour millers, and participants in the national Karnal bunt survey who incur losses and expenses because of Karnal bunt in the 1996-1997 crop season. Comments are due by September 9.
- **Bison Lawsuit Filed:** The Sierra Club Legal Defense Fund filed a lawsuit in the U.S. District Court in Helena, MT the week of June 30 seeking additional analysis of the Yellowstone-Montana Interim Bison Management Plan. The lawsuit states that although the existing plan promised to decrease the killing of bison in the park, bison mortality actually doubled since the plan was initiated.
- **Food Bought For Foreign Aid Programs:** On July 2, USDA purchased 60,000 metric tons of hard red wheat, worth \$8.2 million, for shipment to Kyrgyzstan under the Food for Progress program.
- **Dairy Update:** On July 15, 100 milk producers from around the country assembled on the Mall for National Dairy Farmers Awareness Day protesting low prices and asking USDA to increase minimum prices 40 percent above the current support price level. Secretary Glickman met with members of the group.

On July 17, USDA, the Federal Trade Commission, and other federal agencies will release *Milk: Does It Measure Up?*, a FTC report documenting significant short weighting in dairy and juice products, including a high incidence in milk purchased for the School Meals Program. Significant Congressional, media, and public interest is expected.

On the price front, June milk prices were up to \$10.95 per cwt from \$10.87 in May. The June Basic Formula Price, the benchmark price of the federal dairy program, was \$10.74 per cwt, up from \$10.70 in May.

On July 3-8, the Department approved export subsidies for 207 metric tons (MT) of nonfat dry milk to the Caribbean, Central, and South America and on July 9, USDA approved 500 MT of butter to Asia and the Former Soviet Union.

- **Trade Developments:** On June 27, a USDA and U.S. Trade Representative delegation met with their counterparts in Ottawa to discuss U.S.-Canada grain trade issues. U.S. officials expressed the concerns of grain farmers over imports of Canadian grain, but Canada restated that it would not limit its grain exports to the United States.

On July 25, USDA will issue a report, *APEC International Agriculture and Trade Situation and Outlook*, that will show that U.S. agricultural exports to the APEC region scored another record in FY96 at \$36.7 billion, a 10-percent gain over the year before. The region accounted for more than 60 percent of total U.S. agricultural exports.

- **Cotton Step 2 Payments Activated:** Cotton "Step 2" payments were activated for the first time since November 1994, in which about \$1 million in payments will be made on cotton consumed or exported for the week beginning July 11.
- **Agricultural Markets In Review:** For the week ending July 14, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.33	-0.06	-2.19
Corn \$/bu	2.38	-0.01	-2.85
Soybeans \$/bu	7.64	+0.36	-0.34
Rice \$/cwt	11.67	-0.55	+2.21
Cotton ¢/lb	70.86	-1.24	-5.82
Steers \$/cwt	62.30	-1.14	-2.47
Hogs \$/cwt	58.65	-1.66	+0.45
Broilers ¢/lb	61.90	-0.11	-3.79
Cheese \$/lb	1.20	+0.03	-0.36
Butter \$/lb	0.99	-0.06	-0.45

For the week ending July 14, wheat prices dipped to the lowest level in three years. Corn prices rose on concerns about dry weather in central Illinois. Rice prices surged as the market viewed prospects for continued strong demand for both exports and domestic use. Soybean prices rallied back after the markets digested the increased 1997/98 acreage. Cotton prices dropped with a resurgence of foreign purchases. Cattle prices are under pressure from prospects for heavy supplies the remainder of the summer. Butter prices dropped on a slowdown in demand while cheese prices advanced slightly in a firm market.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Welfare Reform Update:** During the July 9-15 period, the USDA approved Virginia's request for an exemption of 19 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.

With most legal immigrants facing loss of food stamp eligibility August 22, USDA has been working with interested states to implement a provision of the Supplemental Appropriations Act for FY97, which grants states authority to purchase food stamps from the federal government for use in a state-funded food assistance program for legal immigrants. USDA has discussed federal requirements for operating state programs that utilize food stamps with Maryland, Nebraska, New York, Rhode Island, and Washington, and is currently reviewing draft state plans submitted by Nebraska and Washington.

The immigrant eligibility provisions of the welfare reform legislation have had an unintentional effect on several Native American tribes, including the Mohawk and the Kickapoo. Previous statutes permitted tribal members to live and work in the United States while traveling freely between the United States, Canada, and Mexico. Their unique status was not recognized in the legislation, and as legal permanent residents, they are ineligible for food stamps. A technical amendment is included in the Senate budget reconciliation bill which would exempt members of tribes from the five-year ban against participation in the SSI program. Despite their special status, no action has been taken to add these Native Americans to the categories of individuals eligible for food stamps.

- **Food Safety Update:** On July 21, USDA will release *An Economic Assessment Of Food Safety Regulations: The New Approach To Meat And Poultry Inspection*, a report which presents an analysis of new meat and poultry inspection rules by evaluating benefits and costs of reducing microbial pathogens and thereby preventing foodborne illness.
- **Empowerment Zone/Enterprise Community Update:** On June 30, \$4.4 million in USDA grants and loans were announced for several programs, including a Water 2000 project in Timmonsville, SC and a water and sewer system in Kingstree, SC.

The Southeast Conference for Enterprise Zones/Empowerment Communities is scheduled for August 19-21 in Cordele, GA to emphasize positive changes in living conditions of America's impoverished communities, and the role that EZs and ECs play in that progress.

- **USDA Employees Receive Hammer Award:** Five employees of the USDA Office of the Chief Financial Officer will be presented Vice President Gore's Hammer Award for Reinventing Government in August for their service on the Department's Purchase Card Implementation Team.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Appropriations Updates:** The House Appropriations Committee marked up the agriculture appropriations bill on July 9, in which it accepted an amendment to restore funding for the office of the Under Secretary for Food Safety and the office of the Chief Information Officer, provisions that had been deleted during subcommittee mark. The Committee also voted to raise the subsidy provided to crop insurers and to zero out funding for two USDA officials who Rep. Nethercutt believes did not adequately protect the interests of Washington state during the last Conservation Reserve Program sign up. The Department opposed both amendments.

In a more positive development, the Committee voted to include additional funding for the President's Food Safety Initiative. However, the level of House support remains below the President's funding request.

The House began consideration of the bill on July 16. Possible amendments include: denying crop insurance for tobacco farmers; stripping funding for the American Heritage Rivers Initiative; and eliminating funding for the Market Access Program.

On July 10, the House took up the Interior appropriations bill, which includes Forest Service funding. The House approved an amendment which would reduce Forest Service funding for forest road construction and reconstruction by \$5.6 million. The amendment also reduced the amount of funding available for the construction of roads by timber purchasers. The Senate Interior Appropriations Subcommittee has announced that it will begin to mark up its version of the bill on July 18, with Committee markup on July 22.

Congressional Hearings:

- July 17 -- House Agriculture Committee on civil rights. Secretary Glickman will testify.
- July 22 -- House Agriculture Subcommittee on Forestry, Resource Conservation, and Research on reauthorization proposals in agricultural research.
- July 22 -- Senate Agriculture Committee on impact of newly proposed clean air regulations on the agriculture industry.
- July 22 -- Senate Appropriations Committee full committee markup of FY98 Interior appropriations bill, which includes the budget for the Forest Service.
- July 23 -- Senate Agriculture Committee confirmation hearing for Catherine Woteki as Under Secretary for Food Safety and Shirley Watkins as Under Secretary for Food, Nutrition, and Consumer Services.
- July 24 -- House Resources Committee on Forests and Forest Health on the decision-making process of the U.S. Forest Service.
- July 29 -- Senate Agriculture, Nutrition, and Forestry Committee on price volatility.
- July 30 -- House Resources Committee on Hood Bay (Alaska) land exchange.
- July 31 -- Senate Agriculture, Nutrition, and Forestry Committee on food security in Africa.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- July 17 -- U.S. Agricultural Export Development Council and Global Agricultural Attache Conference, Washington, DC.
- July 18-20 -- personal leave.
- July 24 -- Spokane, WA area to discuss Conservation Reserve Program issues.
- July 25-26 -- Lake Tahoe Basin Forum, Lake Tahoe, NV.
- July 27 -- Mental Health Association, Wichita, KS.
- July 28 -- Small Farms Commission meeting, Memphis, TN

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- July 23-24 -- farm site visits, Pretoria, South Africa and Bi-National African-African American Summit, Harare, Zimbabwe.
- July 25-26 -- Lake Tahoe Basin Forum, Lake Tahoe, NV.
- July 28 -- Small Farms Commission meeting, Memphis, TN.

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 23 -- Forest Service recreation summit, Albuquerque, NM.
- July 25-26, Lake Tahoe Basin Forum, Lake Tahoe, NV.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- July 30 -- National Animal Damage Control advisory committee, Washington, DC.
- August 1 -- Animal Damage Control Research Center, Sandusky, OH.
- August 12 -- Annual Birdstrike Meeting, Boston, MA.
- August 18-20 -- International Symposium on Karnal Bunt, Raleigh, NC.

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.

VII. PRESS/MEDIA INQUIRIES

- More than 50 interviews have been arranged for Foreign Agricultural Service overseas staff the week of July 14 as part of the Global Attache Conference in Washington, DC.
- On July 10, *WTOP* radio interviewed Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe on the D.C. Summer Food Service Program, which serves 26,000 children a day, filling the nutritional gap for those who depend on the School Meals Programs for healthy meals during the school year.
- On July 28, while attending the American Culinary Federation convention in Atlanta, GA, Acting Under Secretary Keeffe will meet with reporters and food editors for a variety of magazines, including *McCall's* and *Southern Living*, to discuss USDA's food gleaning and nutrition education and promotion efforts.
- *Associated Press* and *Wall Street Journal* are following up with queries on the dioxin issue.
- *Federal Times* and *Richmond Times* inquired about the relationship between USDA's Civil Rights Office and the Office of General Counsel on the backlog of cases.

VIII. FOIA REQUESTS

- *NBC Dateline* requested inspection reports on Decoster, an egg producer. The specific request is for freshness-dating information and court rulings, letters, and notices.

IX. WEEKEND CONTACT

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July 23, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of July 22, 1997

I. KEY DEPARTMENT NEWS

- **Secretary Glickman To Participate In Lake Tahoe Basin Presidential Forum:** On July 25-26, Secretary Glickman will join the President and Vice President at the Lake Tahoe Presidential Forum. During the forum, the Secretary will present findings from the June 30 Forest Ecosystem Restoration, Recreation, and Tourism Workshop to the Vice President. USDA is the lead agency charged with coordinating the forum and related activities.
- **Secretary Glickman To Address Small Farms Commission:** On July 28, Secretary Glickman will participate in the first public meeting of the National Commission on Small Farms in Memphis, TN. The Commission will look at a wide range of programs and issues to better serve small and beginning farmers.
- **Update On Elevated Dioxin Levels In Poultry:** The week of July 21, many poultry plants have resumed production of broilers after the levels of dioxin have dropped below the Food and Drug Administration-established level of concern. Last week, plants either suspended production or reprocessed the broilers to bring the product under the level of concern. At least one Arkansas hog producer, however, had a shipment of hogs rejected by a slaughter plant because the hogs had been fed dioxin-contaminated feed. USDA is working to resolve this issue in a way that protects the public health while minimizing the economic impact on this producer. Congressman Marion Berry's office has expressed concern about this situation.

Given the sensitivity of small children to dioxin, USDA is also concerned about dioxin in poultry products purchased for the national school lunch program. Agencies are exploring the possibility of having the company from which the product was purchased voluntarily replacing the suspect product. Agencies are also surveying states to determine whether they have any suspect product in inventory and, if so, offering to

replace the product.

The Food and Drug Administration has requested that a U.S. soybean meal export firm identify the destination of several export shipments of soybean meal processed by the Quincy Soybean Company of Arkansas.

- **Civil Rights Update:** The USDA civil rights employment complaints backlog team has resolved or closed 231 of 1,527 backlog employment cases, with 451 cases targeted for alternative dispute resolution and negotiated settlement. During the week of July 1, 156 cases were sent to the Federal Mediation and Conciliation Service for face-to-face mediation. USDA is also seeking qualified firms to help investigate the backlog of discrimination complaints in program delivery and in employment.
- **USDA Addresses Tobacco Program Violations:** USDA is assessing almost \$40 million in marketing quota penalties and administrative actions in response to a Department investigation of the 1990-1992 marketing years for flue-cured tobacco that found that 30 dealers and 125 warehouse operators had bought and sold tobacco in violation of program rules. The bulk of the violations occurred in eastern North Carolina, with some in Georgia, South Carolina, and Virginia.
- **Disposition Of Hepatitis Tainted Strawberries Still At Issue:** Andrew and Williamson Sales Inc. (A&W), the vendor of strawberries implicated in the Hepatitis A outbreak in Michigan schools, has objected to USDA's June 27 proposed agreement to destroy the implicated product and heat process the unimplicated product. The Department has refused A&W's request to heat process the implicated product for sale and sell the unimplicated product in its present condition. USDA is working with the Michigan Departments of Education and Agriculture to remove the strawberries from the schools into a central storage facility until an agreement is reached with A&W.
- **USDA Notifies Dairy Companies Of Short Weighting:** USDA has notified 56 dairy companies that they must provide restitution to affected schools or face possible disbarment after they were found to short weight the amount of milk provided to school feeding programs. A recent Federal Trade Commission report revealed that about 48 percent of all lots tested in schools were short weighted.
- **Assistance Continues For Livestock Industry:** As of July 11, USDA had received 4,075 applications for livestock losses totaling 58,867 animals, which could total more than \$7.1 million.

As of July 14, 41 counties in Iowa, Kansas, Minnesota, Missouri, Nebraska, and Tennessee have been approved for emergency grazing of Conservation Reserve Program (CRP) acreage and 101 counties in Iowa, Kansas, Montana, Nebraska, North Dakota, South Dakota, and Tennessee have been approved for emergency haying of

CRP acreage.

- **Snowbasin Ski Area Gets Approval To Proceed:** The Forest Service recently gave the Snowbasin Ski Area on the Wasatch-Cache National Forest in Utah authority to proceed with three projects in preparation for the 2002 Winter Olympic Games. The projects include preparation of the men's and women's downhill race courses, construction of mountain access roads, and the diversion of snowmelt runoff.
- **USDA And Bass Pro Shops To Provide Outdoor Skills Training:** On August 2-6, the Mark Twain National Forest will join the University of Missouri, Missouri Department of Conservation in a partnership with Bass Pro Shops Inc. to provide Springfield, MO families with outdoor skills training.
- **USDA Develops Method To Extend Life Of Fresh-Cut Fruit:** USDA researchers have found a method to extend the shelf-life of fresh-cut fruit from seven to up to 14 days while retaining flavor by using a chlorine dip/rinse before cutting them for packaging. Fresh-cut fruit is the fastest growing market in the produce business, with U.S. sales projected to increase from \$5.8 billion in 1994 to \$19 billion by 1999.
- **USDA Decides Against Use Of Bell 204 Helicopters In Firefighting:** After extensive research into the safety record of the Bell 204 helicopter, USDA has decided to stop using the aircraft for fire suppression activities. The Bureau of Land Management, Office of Aircraft Services, and the Department of the Interior agree with the decision and will restrict its full service contracts for this model.
- **Breastfeeding Benefits To Be Promoted During National Breastfeeding Week:** Secretary Glickman has proclaimed August 1-7 as Women, Infants, and Children (WIC) National Breastfeeding Week, coinciding with USDA's breastfeeding promotion campaign.
- **Team Nutrition Receives Second Of Three Major Awards:** On July 24, USDA's Team Nutrition promotion and education program will receive the Society for Nutrition Education's 1997 Excellence in Nutrition Education Award. The Public Relations Society of America recently recognized Team USDA's success with its Silver Anvil award in June, and the American Dietetic Association will present the Department with a similar award in October.
- **Potato Farmers Receive Assistance:** USDA has received 114 applications worth more than \$775,000 since the inception of the Potato Diversion Program May 29, that will provide 1996 crop potatoes to charitable institutions and livestock feed.
- **Florida Medfly And Citrus Canker Updates:** As of July 17, 409 acres of commercial citrus groves have been found to be infected along with 36 residential properties in the

Tampa, FL area.

- **Oriental Fruit Fly Found In California:** On June 30, two mature male oriental fruit flies were detected in Los Angeles County, CA, triggering USDA action to protect citrus and vegetable crops by watching the situation closely in case a quarantine is warranted.
- **Farmers Being Compensated For Wheat Losses From Karnal Bunt:** Farm Service Agency county offices in Arizona, California, and New Mexico have been issuing payments to wheat farmers for losses due to the Karnal bunt quarantine. Through July 10, payments to Arizona and California have totaled more than \$7.23 million.
- **Report Reveals Agricultural Products' Usage For Industrial Products:** On July 29, USDA will release *Industrial Uses of Agricultural Materials Situation and Outlook* report, which will report that an estimated \$110 billion worth of U.S. agricultural and forestry products were used as raw materials in the manufacture of industrial (nonfood, nonfeed) products in 1992.
- **Dairy Update:** A group of fluid milk processors, distributors, and retail sellers that process milk outside of New England for sale in the New England area filed a lawsuit on July 14 in the Massachusetts U.S. District Court against the Northeast Dairy Compact Commission, requesting relief from certain milk import tariffs and other rules that they say impair competition in New England from milk and milk products processed outside of New England.

On July 10-16, USDA approved subsidies for 1,419 metric tons of milk products for export sales.

- **Trade Developments:** Egypt is now requiring imported feed and food grains, pulses, and oilseeds to be certified free of genetically modified organisms (GMOs), jeopardizing over \$1 billion in annual U.S. export sales.

On July 15, the United States requested World Trade Organization (WTO) dispute settlement consultations concerning India's import restrictions that cover more than 2,700 consumer and agricultural products.

- **Agricultural Markets in Review:** For the week ending July 21, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.45	+0.12	-1.95

Corn \$/bu	2.54	+0.16	-2.08
Soybeans \$/bu	7.75	+0.11	-0.27
Rice \$/cwt	11.67	0	+2.27
Cotton ¢/lb	71.67	+0.81	-5.38
Steers \$/cwt	64.83	+2.53	-0.14
Hogs \$/cwt	59.85	+1.20	+0.30
Broilers ¢/lb	61.95	+0.05	-3.10
Cheese \$/lb	1.27	+0.07	-0.33
Butter \$/lb	1.00	+0.01	-0.47

For the week ending July 21, wheat prices, despite being pressured by the continuing harvest and weak export demand, followed corn prices up on weather concerns. Soybean prices remained volatile in a weather market. Cotton prices advanced in response to potential drought problems in China and Pakistan. The number of cattle on feed is up sharply from last year which, in combination with higher slaughter weights, suggests that cattle prices will be under pressure this summer and autumn. The Basic Formula Price for milk is expected to increase in July.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Food Safety Update:** The first positive sample for *listeria monocytogenes* in ready to eat dry sausage has been confirmed at a plant in Greenville, RI, with all of the suspect lot being maintained at the establishment. *Listeria monocytogenes* can cause serious food poisoning in some people, as well as cause problems with pregnant women. USDA expanded its microbiological monitoring program for these products in early July.
- **Education And Information Superhighway Update:** USDA has established a free on-line Cyber Camp for children ages 12-15 as part of its Children, Youth, and Families at Risk initiative in which youth learn to use computers with Internet access in their homes or communities for fun and educational activities until late August.

USDA has donated excess computers to Northern Wyoming Community College in Gillette as part of the President's Executive Order on Educational Technology: Ensuring Opportunity for All Children in the Next Century.

- **Helping Native Americans:** USDA representatives attended the July 15-17 civil rights workshop on Tribal Realty and Land Management in Spokane, WA to discuss Native

American issues related to land and environment.

- **Welfare Reform Update:** From July 15 through July 23, USDA approved a waiver for South Dakota exempting individuals residing on the Lower Brule Indian Reservation, based on an unemployment rate of 15.2 percent for the reservation, 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.

USDA also granted a waiver for California, exempting individuals in six neighborhoods in San Francisco, based on unemployment rates greater than 20 percent about the national average.

The week of July 28, USDA plans to approve Washington's plan to purchase food stamps from the federal government for use in its state-funded food assistance program for legal immigrants, as allowed under the FY97 supplemental appropriations bill.

- **Washington, DC Initiative Update:** On July 23, USDA employees participated in the Mount Pleasant Community Pride Day II Cleanup, part of the Department's multi-year plan for the District of Columbia to help renew and revitalize the nation's capital.
- **Empowerment Zone/Enterprise Community Update:** Two rural business grants totaling over \$476,000 were made to the Sunnyside, WA, part of the Lower Yakima County Enterprise Community, to fund the extension of water and sewer lines to industrial zoned areas. Another rural business grant for \$188,100 was made to the Washington Association of Minority Entrepreneurs.

III. NOTABLE CONGRESSIONAL ACTIVITY

Congressional Hearings:

- July 23 -- Senate Agriculture Committee confirmation hearing for Catherine Woteki as Under Secretary for Food Safety; Shirley Watkins as Under Secretary for Food, Nutrition, and Consumer Services; Miley Gonzalez as Under Secretary for Research, Education and Economics; and Gus Schumacher as Under Secretary for Farm and Foreign Agricultural Services.
- On July 24 -- Senate Energy and Natural Resources Subcommittee on Forests and Public Land Management on a pilot project on designated lands within Plumas, Lassen, and Tahoe National Forests in California to demonstrate the effectiveness of the resource management activities proposed by the Quincy Library Group and to amend current land and resource management plans for these national forests to consider the incorporation of these resource management activities.

- July 29 -- Senate Agriculture, Nutrition, and Forestry Committee on price volatility.
- July 30 -- House Agriculture Committee on the Forest Service Government Performance and Results Act.
- July 30 -- House Commerce Subcommittee on Health and Environment on implementation of Title VI of the Clean Air Act and plans for the upcoming meeting of the Parties to the Montreal Protocol.
- July 31 -- Senate Agriculture, Nutrition, and Forestry Committee on food security in Africa.
- July 31 -- House Resources Subcommittee on Forests and Forest Health on the implementation of Government Performance and Results Act by the Forest Service.
- August 8 -- House Agriculture Subcommittee on Livestock, Dairy, and Poultry field hearing, Branson, MO, on strategies for increased competitiveness for U.S. dairy industry.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- July 24 -- Spokane, WA to discuss Conservation Reserve Program issues.
- July 25-26 -- Lake Tahoe Basin Forum, Lake Tahoe, NV.
- July 27 -- Mental Health Association, Wichita, KS.
- July 28 -- Small Farms Commission meeting, Memphis, TN.
- July 29 -- Agriculture Plenary U.S.-South Africa Bi-National Commission meeting, Washington, DC.
- July 30 -- U.S.-South Africa Bi-National Commission meetings, Washington, DC.
- August 1-4 -- personal leave.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- July 23-24 -- farm site visits, Pretoria, South Africa and Bi-National African-African American Summit, Harare, Zimbabwe.
- July 25-26 -- Small Farms Commission meeting, Memphis, TN.

VI. SUB-CABINET SCHEDULE

Under Secretary for Natural Resources and Environment Jim Lyons:

- July 25-26 -- Lake Tahoe Basin Forum, Lake Tahoe, NV.
- July 28 -- Western Association of Fish and Wildlife Agencies, Sparks, NV.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- July 30 -- National Animal Damage Control Advisory Committee, Washington, DC.
- August 1 -- Animal Damage Control Research Center, Sandusky, OH.
- August 12 -- Annual Birdstrike Meeting, Boston MA.

- August 18-20 -- International Symposium on Karnal Bunt, Raleigh, NC.

Acting Under Secretary for Farm and Foreign Agricultural Services Dallas Smith:

- July 23-24 -- African-African American Summit, Harare, Zimbabwe.

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

- July 22-24 -- Society for Nutrition Education annual conference, Montreal, Canada.
- July 26-28 -- American Culinary Federation annual convention, Atlanta, GA.

Acting Under Secretary for Food Safety Thomas Billy:

- Sept. 3 -- British Food Safety conference, London, England.

VII. PRESS/MEDIA INQUIRIES

- On July 28, Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe will meet with local reporters and food editors to discuss USDA's efforts to encourage early nutrition education to improve long-term health through its nutrition education and promotion program, Team Nutrition.
- *NBC Dateline* is considering a program on continued problems with advanced meat recovery equipment.
- *The Washington Post* and *Fox News* of Monte Vista, CO requested information on USDA's potato diversion program.
- *Time* requested information on the Kennedy-Porter amendment to end federal funding for new logging roads.
- *NBC Nightly News* requested an interview for its "Profile of America" with General Norman Schwarzkof of Chuck Mark, the West Side Fire Management Officer of Bighorn National Forest. The segment would be an on-site profile, filmed in Greybull, WY, of Big Horn National Forest's Hot Shot Crew.
- *Los Angeles Times* asked about U.S. citrus exports to China.
- *The Washington Post* inquired about the economics of farming in the Washington, DC metropolitan area.
- *Los Angeles Times* asked how the tobacco program works.

VIII. FOIA REQUESTS

No significant FOIA requests to report.

IX. WEEKEND CONTACT

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July 30, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of July 28, 1997

I. KEY DEPARTMENT NEWS

Secretary Hosts U.S.-South Africa Binational Commission Meeting: On July 29, Secretary Glickman hosted the U.S.-South Africa Bi-National Commission's Agriculture Committee with South African Minister of Agriculture and Land Affairs Derek Andre Hanekom to discuss ways to strengthen relations between the United States and the Republic of South Africa through increased cooperation in agricultural-related programs, projects, and exchanges.

Secretary And Deputy Secretary End Busy Travel Week: On July 23-24, Deputy Secretary Rominger was in Harare, Zimbabwe as a keynote speaker for the African-American Summit, where he discussed national consultations on food security to help end hunger.

On July 24, Secretary Glickman was in Kennewick, WA to tour Conservation Reserve Program (CRP) lands and hear farmers' concerns about program enrollment.

On July 25-26, Secretary Glickman and Deputy Secretary Rominger joined the President and Vice President at the Lake Tahoe Basin Summit in Nevada to announce a plan of action to clean up the Basin.

On July 28, the Secretary and Deputy Secretary joined Chair Harold Volkmer for the first public hearing of the National Commission on Small Farms in Memphis, TN, in order to support small and limited resource farmers and to study the problems facing these producers and recommend ways to help them.

USDA To Launch National Breastfeeding Promotion: On August 6, Secretary Glickman will launch the Department's most ambitious-ever national breastfeeding promotion at Children's Hospital in Washington, DC with Women, Infants, and Children (WIC) program mothers and babies and peer counselors present. The Secretary has proclaimed August 1-7 as WIC National Breastfeeding Week.

Disposition Of Hepatitis Tainted Strawberries Moves Forward: The Michigan Department of Education is working to determine the location of all strawberries implicated in the Hepatitis A outbreak in Michigan schools, and USDA anticipates that the removal of the product will begin August 1 for placement in a central storage facility until the issue of final disposal is resolved with the vendor.

Update On Elevated Dioxin Levels In Poultry: An investigation has revealed that 3 percent of the nation's chicken has a higher-than-acceptable amount of dioxin. While these levels do not represent an immediate health risk or threat, a conservative approach will be taken to those chicken products distributed through the National School Lunch Program (NSLP). Those states affected have been directed not to use the product in the NSLP, and to redirect it to adult feeding programs such as charitable institutions. Affected states do have the option to dispose of the product and the vendor has agreed to replace the product.

Trade Developments: On July 18, the International Trade Commission released a study of U.S.-Canada potato trade and policies which identified several Canadian barriers affecting U.S. potato exports, but stopped short of linking Canadian production and processing support programs to a competitive advantage for Canadian potatoes and products in the U.S. market.

The week of July 21, Egypt announced it will implement the requirement for imported legumes to be certified free of genetically modified organisms (GMOs), but delay implementation for all other grains for three months, jeopardizing over \$1 billion in annual U.S. export sales.

U.S. wheat prices rebounded sharply on news of Egypt's July 22 purchase of 450,000 metric tons of soft red wheat, which halted the normal seasonal harvest-induced price decline.

On July 23, USDA amended Pakistan's FY97 P.L. 480 program to add \$20 million for the purchase of wheat and on July 24 announced that credit guarantees available to U.S. exporters for sales of U.S. agricultural commodities to Pakistan were increased by \$25 million, bringing the FY97 total to \$325 million.

USDA analysts and counterparts in Canada are working to complete a collaborative study on factors influencing the flow of wheat between the U.S. and Canada.

Assistance Continues For Cattle Producers: On July 17, USDA field offices had received 7,286 applications for livestock losses totaling 238,009 animals, with advance payments reaching \$236,429. The Department estimates livestock losses could total more than \$12.3 million.

As of July 21, 168 counties in nine states have approval for emergency haying of Conservation Reserve Program (CRP) acreage, and 297 counties in nine states have been approved for emergency grazing.

Dairy Update: On July 17- 23, USDA approved subsidies for 4,738 metric tons of milk products for export sales to the Caribbean, Central and South America, Asia, the Former Soviet Union, Africa, and the Middle East.

Forest Service Recognizes Christian Group: The Forest Service will recognize an official group of Christian employees called Association of Christians Reaching Out In Service and Support (ACROSS), the result of an out-of-court settlement in U.S. District Court. ACROSS filed suit May 6 against the Forest Service for the agency's refusal to approve ACROSS as an employee organization, citing violation of the United States Constitution, the Civil Rights Act, and the Religious Freedom Restoration Act.

Copper Mine Decision Issued: The Environmental Impact Statement and Record of Decision for the 1,500-acre Carlota open-pit copper mine on the Tonto National Forest in Arizona was issued July 28. The project started in 1992, and public interest has been high throughout the National Environmental Policy Act analysis.

National Forest Oil & Gas Leasing Update: The first week of August, a Draft Supplemental Environmental Impact Statement on oil and gas leasing for the Helena National Forest and Elkhorn Mountains portion of the Deerlodge National Forest in Montana will be made available to the public. One option would make the area available for lease with a combination of no surface occupancy stipulations, timing limitations, and controlled surface use stipulations. The second option would make the area unavailable for lease. The original Final Environmental Impact Statement was completed in April 1995, and the Record of Decision (ROD) was signed in February 1996 but withdrawn in July 1996 when additional activities with oil and gas leasing were identified that could have cumulative effects.

World Fly Fishing Championship Scheduled For National Forest: On September 2-9, the Bridger-Teton National Forest in Wyoming will host the World Fly Fishing Championship and Conservation Symposium.

Subaru Joins Partnership With National Forest Foundation: The National Forest Foundation (NFF) has entered into a partnership agreement in which Subaru of America will donate 35 new sport utility vehicles to the Forest Service through the Subaru Foresters Conservation Fund which will support field conservation and recreation project on national forests.

Inventory Completed On USDA Education Programs: USDA has compiled a detailed inventory of all Department education programs and activities for use in reports, such as the USDA Annual Performance Report on Historically Black Colleges and Universities.

USDA Sponsors Workshop At Southern Black Business Association Conference: USDA's Rural Development Louisiana State Director hosted workshops July 24-26 on business development programs during the Southern Black Business Association Conference in Monroe, LA.

Tomato Disease Found In Florida: On July 18, a diseased tomato plant was submitted by a grower at Naples, FL to the University of Florida, and the tomato was identified to have Tomato Yellow Leaf Curl Virus (TYLCV), the first time this disease has been found in the United States. TYLCV has been reported in Asia and Africa, but appears to be most serious in the eastern Mediterranean and Caribbean, where yield losses in excess of 80 percent have been reported. On July 28, USDA officials met to discuss the disease and formulate recommendations for future actions.

Bison Protester Indicted: Delyla Wilson, a woman from Bozeman, MT who splattered rotting bison guts on a group of high-ranking officials at a March 23 meeting in Gardiner, MT, has been indicted by a federal grand jury on a charge of federal assault against a Cabinet member. Wilson is also charged with misdemeanor crimes of disorderly conduct and assault stemming from the incident. The charges carry a potential sentence of one year in prison and a \$100,000 fine. Wilson is scheduled to appear on August 13 in Billings, MT on the federal charges.

Nevada Geese Relocated: In cooperation with state and local officials, USDA Animal Damage Control officials relocated 850 Canada geese from numerous urban locations in Reno, NV, where they were damaging public and private property and causing a safety hazard at the Reno-Tahoe International Airport. The geese were banded to monitor post-relocation movements and moved to sites where they will be less likely to cause damage.

USDA To Lead Rice Elevator/Mill Safety Initiative: On July 23, Grain Inspection, Packers and Stockyards Administration Administrator James Baker participated in a teleconference with Food and Drug Administration officials regarding concerns expressed by the U.S. rice industry about unacceptable levels of dust in rice elevators/mills. It was agreed that USDA would lead a major field test on the effect of applying a higher rate of mineral to rice.

EPA Requests Additional Food Commodity To Be Tested: In fulfilling its high priority re-registration reviews, EPA requested the Pesticide Data Program (PDP) add corn syrup to its current list of commodities tested for selected pesticide residues. PDP also accepted EPA's request to add five new organophosphates to the testing profile based on commodity type. Both programs will be initiated in the new fiscal year.

Civil Rights Update: Of the 1,507 total active civil rights employment cases, 266 cases have been closed and 456 cases remain under alternative dispute resolution (ADR).

Farm Service Agency's (FSA) Civil Rights and Small Business Utilization Staff and the union have reached tentative agreement on ground rules for negotiations which include the use of interest-based bargaining. Negotiations will begin within one week after the parties receive training on the interest-based approach to negotiations. On June 17, the President issued a memorandum that outlined his plan to invigorate Title IX enforcement in federally-assisted educational programs and to issue an Executive Order that will prohibit discrimination in

federally-conducted educational programs.

The USDA Independent Review Team continues to review field exhibits, and the team has received 2,447 exhibits of pending accelerated or foreclosure actions representing 54 percent of the total exhibits out in the states. The Review Team has reviewed and completed 1,330 exhibits, representing 55 percent of submitted exhibits. Currently, 54 foreclosures are on hold awaiting either further servicing by respective states or civil rights complaints have been filed.

Since April 1, 184 cases from the ADR/employment Backlog have been negotiated and settled, accounting for 144 complainants. 184 settlements constitute 38 percent of all cases negotiated to date (484), and 27 percent of all cases appropriate for negotiation (687). The average settlement cost for all USDA cases to date is \$8,254. The median agency settlement cost per case is \$400.

Secretary Glickman has appointed 13 USDA employees to serve on the Hispanic Advisory Committee.

Program Extended To Assist Potato Growers: On July 28, USDA extended for another month the Potato Diversion Program, which will provide 1996 crop potatoes to charitable institutions and livestock feed.

Forest Uses Enjoined In Arizona And New Mexico: The Ninth Circuit has again issued a broad, programmatic injunction against forest uses in Arizona and New Mexico by granting an emergency motion for injunction pending appeal in Forest Guardians v. Dombeck which may disrupt numerous timber sales, grazing permits, and other special use permits. USDA is working with the Justice Department to assess options for reconsideration or seeking a stay of the Circuit's order from the Supreme Court.

National Finance Center Director Named: John Ortego, who currently serves as Deputy Assistant Commissioner for the General Services Administration's Office of Information Technology Integration, has been named the new director of the National Finance Center in New Orleans, LA.

USDA Works On Year 2000 Issues: USDA and the Department of Health and Human Services are working together on information systems support of social delivery programs to ensure states are adequately addressing Year 2000 problems. The Department is also working with the Department of Transportation to provide a Year 2000 compliant computing and test bed facility that will provide customers with secure environments to perform analysis, conversion, and testing.

Agricultural Markets In Review: For the week ending July 28, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.64	+0.19	-1.37
Corn \$/bu	2.48	-0.06	-1.75
Soybeans \$/bu	7.57	-0.18	-0.11
Rice \$/cwt	11.67	0	+1.91
Cotton ¢/lb	72.33	+0.66	-4.69
Steers \$/cwt	64.62	-0.21	+0.30
Hogs \$/cwt	59.00	-0.85	-1.85
Broilers ¢/lb	61.88	-0.07	-2.59
Cheese \$/lb	1.27	+0.00	-0.35
Butter \$/lb	1.02	+0.02	-0.43

For the week ending July 28, wheat prices rose on stronger export demand and flour mill purchases. Corn prices declined from Midwest rain. Improved East Asia monsoon rains pushed rice prices down. Soybean prices dropped on talk of soybean meal cancellations by China. Cotton prices were supported by robust exports and domestic demand. Steer prices were little changed, as good beef movement is balanced by large feedlot inventories. Live hog prices fell as some slaughter plants reduced operation hours. Broiler prices were steady, even as production runs well above that of a year ago. Butter prices rose in thin trading. Cheese prices for 500-lb barrels were up, but 40-lb block prices were unchanged.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

Welfare Reform Update: USDA is reviewing Connecticut's request for an exemption for the city of Hartford 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, based on an unemployment rate greater than 10 percent. Connecticut also requested exemptions for 14 cities and towns based on their designation as Labor Surplus Areas by the Employment and Training Administration of the Department of Labor, and for an additional 10 towns based on unemployment rates greater than 20 percent above the national average.

Food Safety Update: On August 20, USDA will hold an open technical meeting on a planned hamburger study to solicit input on a proposed survey to determine the frequency with which hamburger, sold at retail and cooked at home, turns brown before reaching 160 F. The results of this survey will be used to determine the contribution of this factor to a risk assessment for *E. coli* 0157:H7.

Helping Native Americans: On July 24, Secretary Glickman met with the Affiliated Tribes of Northwest Indians in Pasco, WA to discuss tribal concerns about the availability and delivery of USDA programs to Northwest Native American tribes. The Secretary also met with the Washoe tribe in Lake Tahoe, NV, where the Forest Service signed an agreement allowing access to Forest Service land.

In July, USDA Animal Damage Control program officials presented three outreach programs to tribal members and agricultural producers on the Nez Perce, Coueur d'Alene, and Shoshone-Bannock reservations and tribal lands in Idaho to discuss available services.

Water 2000 Update: On July 31, the Vice President is expected to announce over \$3 million in USDA grants and loans to seven rural communities in Tennessee to fund clean water and waste water projects throughout the state as part of the Administration's Water 2000 initiative to provide clean, drinkable water and sanitary plumbing facilities for all Americans.

On August 4, Under Secretary for Rural Development Jill Long Thompson will announce \$12 million in loans and grants for water and waste water systems in nine communities in Pennsylvania.

III. NOTABLE CONGRESSIONAL ACTIVITY

Appropriations Update: On July 24, the Senate passed the FY98 agriculture appropriations bill, in which it agreed to provide additional funding for USDA's civil rights enforcement activities and outreach to socially disadvantaged farmers and to continue to provide crop insurance for tobacco growers. Although the Senate voted to reject a Harkin amendment to increase funding for the President's anti-tobacco initiative, we understand that Senator Harkin is working with the Office of Management and Budget to identify a different offset for the funds and that he intends to offer the revised amendment when the House bill is sent over to the Senate and a motion to proceed to conference is considered.

The House passed its version of the bill July 24, during which Rep. Nethercutt agreed to withdraw language in the bill which would have cut funding for the salaries of two Department employees who administer the Conservation Reserve Program. The appropriators do not plan to proceed to conference on the bill until after the August recess.

On July 22, the Senate Appropriations Committee approved its FY98 Interior Appropriations bill, which provides \$2.5 billion in Forest Service funding -- slightly more than the President's request but nearly \$140 million less than the amount included in the House-passed version of the bill. The Senate will likely take up this bill after the August recess.

Nominations Update: On July 30, the Senate Committee on Agriculture, Nutrition, and Forestry favorably reported on the nominations of Catherine Woteki as Under Secretary for Food Safety, Shirley Watkins as Under Secretary for Food, Nutrition and Consumer Services, Gus Schumacher as Under Secretary for Farm and Foreign Agricultural Services, and Miley Gonzalez as Under Secretary for Research, Education, and Economics, with full Senate vote expected prior to the August recess.

Congressional Hearings:

- July 30 -- Senate Agriculture Committee markup on Research Title reauthorization bill.
- July 31 -- Senate Agriculture, Nutrition, and Forestry Committee food security in Africa.
- July 31 -- House Resources Subcommittee on Forests and Forest Health on implementation of Government Performance and Results Act by the Forest Service.
- July 31 -- Senate Energy and Natural Resources Committee on Forest Service's organizational structure, staffing, and budget for the Alaska region. One major issue will be the Senate proposal to move the Forest Service regional office from Juneau to Ketchikan.
- August 8 -- House Agriculture Subcommittee on Livestock, Dairy, and Poultry field hearing on strategies for increased competitiveness for U.S. dairy industry, Branson, MO.
- September 4 -- Senate Agriculture, Nutrition, and Forestry Committee on rural and agricultural credit, examining the availability of capital in rural America, and a proposal to create a Federal Agricultural Mortgage Program (FarmerMac) pilot program to meet lending needs in rural areas.
- September 17 -- House Agriculture Committee on Forest Service Government Performance and Results Act.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- Aug. 1-5 -- personal leave.
- Aug. 6 -- National Breastfeeding Month event, Children's Hospital, Washington, DC.
- Sept. 5-7 -- personal leave.
- Sept. 15-16 -- National Summit on Food Recovery, Washington, DC.
- Sept. 23-24 -- Gore-Chernomyrdin Commission, Moscow, Russia.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- Aug. 7 -- Shuttle launch, Cape Canaveral, FL.
- Aug. 8 -- Alpha Zeta agriculture fraternity's Summit on Food, Fiber, and the Environment, Columbus, OH.
- Aug. 10 -- International Conference of Agricultural Economists, Sacramento, CA.
- Aug. 18-29 -- personal leave.

VI. SUB-CABINET SCHEDULE

Under Secretary for Rural Development Jill Long Thompson:

- Aug. 25 -- National Rural Development Partnership Council speaker, Delavan, WI.

Under Secretary for Natural Resources and Environment Jim Lyons:

- Aug. 12-14 -- Forest Service National Leadership Meeting, St. Paul, MN and National Urban Resources Partnership Meeting, Denver, CO.
- Sept. 5-6 -- Conservation Banquet of the World Fly Fishing Championship and Conservation Symposium, Jackson, WY.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- Aug. 1 -- Animal Damage Control Research Center, Sandusky, OH.
- Aug. 7-8 -- Brucellosis Certificates, Des Moines, IA.
- Aug. 12 -- Annual Birdstrike Meeting, Boston, MA.
- Aug. 15 -- North Carolina Farmers Market, Asheville, NC.
- Aug. 18-20 -- International Symposium on Karnal Bunt, Raleigh, NC.

Acting Under Secretary for Food Safety Thomas Billy:

- Sept. 3 -- British Food Safety Conference, London, England.
- Sept. 7 -- Association of Food Journalists, Washington, DC.
- Sept. 9 -- National Advisory Committee on Meat and Poultry Inspection, Washington, DC.
- Sept. 25 -- National Frozen Pizza Institute Conference, Lansdowne, VA.
- Sept. 26 -- Ceres Forum Center for Food and Nutrition Policy, American Association of Veterinary Medical Colleges, Georgetown University, Washington, DC.

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

- Aug. 1 -- National Cattlemen's Beef Association meeting, Reno, NV.
- Aug. 4-5 -- National Agricultural Research, Extension, Education, and Economics Advisory Board meeting, Washington, DC.

Acting Assistant Secretary for Administration Pearlle Reed:

- Aug. 4 -- USDA National Agricultural Research, Extension, Education, & Economics

- Advisory Board, Washington, DC.
- Aug. 15-16 -- Federation of Southern Cooperatives/Land Assistance Fund 30th Anniversary Celebration, Epes, AL.
- Aug. 18 -- USDA Blacks in Government Forum - Panel Discussion, Washington, D.C.

Acting Chief Financial Officer Ted David:

- Aug. 6-8 -- San Francisco Bay Area Federal Financial Managers Conference, Lake Tahoe, NV.

Acting Chief Information Officer Anne Reed:

- Sept. 8 -- Presidential Management Alumni Group (PMAG) 20th anniversary celebration of the PMI program, Washington, DC.
- Sept. 8 -- *Government Computer News* Forum, Washington, DC.
- Sept. 19 -- Harvard Policy Group meeting on Network-enabled Services, Boston, MA.

VII. PRESS/MEDIA INQUIRIES

- *CNN* requested a copy of USDA's report on food waste.
- *CNN* inquired about the status of organic standards.
- *CBS* inquired about the Department's research on rubber trees.
- *Wall Street Journal* requested comments on National Turkey Federation and National Broiler Council press releases about a Southern Iowa U.S. district judge's ruling declaring invalid a portion of USDA regulations allowing poultry to be sold with up to 8 percent water.
- *The Washington Post* asked for a response to the Center for Science in the Public Interest's and the American Meat Institute's call for a study of the stun gun method used in slaughter plants and the relationship with Bovine Spongiform Encephalopathy, commonly referred to as "mad cow" disease.
- *The Washington Post* requested information on a USDA proposal that would require identification of species used in collagen casings for sausages.
- *The Washington Post* asked for information on the number of hired farm workers in the Delmarva-DC area.
- *Bridge News* in Chicago requested information about federal regulations concerning animal waste.
- *Gannett News Service* interviewed Acting Under Secretary for Farm and Foreign

Agricultural Services Dallas Smith on small farms.

- *Science Magazine* expressed an interest in trends in farm land acreage and use.
- *St. Petersburg Times* inquired about the medfly eradication program in Florida.
- *Wall Street Journal* inquired about a list which they perceive is kept by Food Safety and Inspection Service officials who have been dismissed or reprimanded for accepting favors from the industry.
- Acting Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe was interviewed by *National Culinary Review* magazine on the School Lunch Challenge, and USDA's food recovery and gleaning efforts.

VIII. FOIA REQUESTS

- *The Washington Post* and *Cruelty Free Investment News* requested records on removal and slaughter of geese in Virginia under the USDA animal damage control program.

IX. WEEKEND CONTACT

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August 6, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of August 4, 1997

I. KEY DEPARTMENT NEWS

Secretary Glickman Swears In New Sub-Cabinet Members: On July 31, the Senate confirmed the President's nominees for Catherine Woteki as Under Secretary for Food Safety; Shirley Watkins as Under Secretary for Food, Nutrition, and Consumer Services; Gus Schumacher as Under Secretary for Farm and Foreign Agricultural Services; and Miley Gonzalez as Under Secretary for Research, Education, and Economics. The nominees were sworn in by Secretary Glickman on August 5.

Civil Rights Update: Of the 1,507 total active civil rights employment cases, 300 have been closed. Over 200 cases are undergoing the mediation and conciliation process, with another 40 cases expected to be settled soon.

There are 54 applicants for the newly created USDA Office of the General Counsel position of Associate General Counsel for Civil Rights.

On July 31, USDA representatives participated in a meeting between the Farm Service Agency and the Rural Coalition concerning an upcoming outreach training session for minority farmers, scheduled for September 8-9.

Federal Times featured USDA civil rights implementation work in its August 4 issue.

National Breastfeeding Promotion Launched: On August 6, Secretary Glickman introduced the Department's most ambitious breastfeeding promotion at Children's Hospital, Washington, DC. As part of the promotion, the Secretary proclaimed August 1-7 as Women, Infants, and Children (WIC) National Breastfeeding Week, coinciding with World Breastfeeding Week.

Secretary Glickman Meets On Tobacco Settlement: On July 31, Secretary Glickman joined Secretary Shalala and Assistant to the President Bruce Reed for a meeting with House

Members who represent tobacco farmers, who urged the Administration to take an active role in ensuring that the proposed tobacco settlement addresses issues of concern to tobacco farmers. The Members also requested an opportunity to meet directly with the President to discuss this issue. The Senate Agriculture Committee will hold hearings on the effect of the proposed settlement on farmers, September 11, and alternative settlement proposals, September 18.

USDA Moves Ahead On Back To School Programs: On August 8, at the Indian Creek Technical Center in Overland Park, KS, USDA and its land-grant partners, Kansas State University Research and Extension, and the University of Missouri and Lincoln University Extension systems will conduct "Back to School With New Ideas," a professional educators seminar with multiple workshops open to Extension System educators, classroom teachers, health educators, public school nurses, and parents as first teacher educators.

Update On Hepatitis Tainted Strawberries: USDA will request the U.S. District Court of Southern California to intervene in negotiating an agreement with the vendor (Andrew and Williamson Sales Inc) which provided alleged Hepatitis A linked frozen strawberries to Michigan schools. The next hearing is scheduled for August 25.

Update On Elevated Dioxin Levels In Poultry: USDA is recommending that states destroy chicken purchased for the National School Lunch Program that may have higher than acceptable levels of dioxin. The Department will ease the financial burden on states by providing them with replacement product.

USDA Issues Food Product Recalls: On July 30, USDA announced that Hygrade Food Products of Detroit, MI was recalling about 80,000 lbs of its Ball Park Fat-Free Franks that may contain milk protein not listed on the ingredient statement. Milk protein can cause serious reactions in persons allergic to milk products. The Department learned of the problem from a consumer who reported to USDA's Meat and Poultry Hotline an allergic reaction by her son.

On August 1, USDA announced that Eckrich Foods Company of Downers Groves, IL recalled 2,000 lbs of its fat free sliced bologna that may contain milk protein not listed on the ingredient statement.

Ninth Circuit Enjoins Harvesting, Grazing In Region 3: On July 25, the Ninth Circuit Court of Appeals enjoined the Forest Service from what it called, "implementing any activities that are inconsistent with the new forest plans." The Court expressly enjoined timber sales and grazing and seemed to implicate other special uses. The case (Forest Guardians v. USFS) initially involved whether the government has the discretion to apply new forest management standards and guidelines prospectively, or must all new direction be applied retroactively. The Ninth Circuit ignored the District Court ruling upholding the Forest Service's prospective application of the standards and guidelines for Mexican spotted owl and Northern Goshawk in its injunction. On July 31, the government filed a motion for clarification and modification of the Ninth

Circuit's order and set out a schedule by which the Forest Service will proceed to comply with its interpretation of the July 25 order, pending further direction from the court.

Fire Update: As of August 6, there have been 42,567 wildfires in the United States, down from the 10-year average of 53,257. Nearly 2.5 million acres have been destroyed this year, up from the 10-year average of almost 2 million acres.

In California, wildfires on the Los Padres National Forest have been threatening nearly 6,000 acres, including 25 ranch structures. In Alaska, nearly 1.4 million acres are at risk in five wildfires. Smaller wildfires are also being fought in Oregon and Washington.

National Forests Closed Due To Flooding: As a result of flash flooding in Fort Collins, CO, the Arapaho and Roosevelt National Forests headquarters and the Rocky Mountain Research Station closed July 29, but reopened on July 30. No personnel were injured or serious damage done to the main building.

Oregon To Be Penalized Over Food Stamp Program Bills: The Food Stamp Program will soon bill Oregon for over \$1.18 million for unallowable costs, in which the state had claimed costs of case management support services to families in crisis. Due to the size of the claim, USDA will allow the state to pay the amount over three years.

Florida Medfly Update: On August 3, more Medflies were found in citrus groves in Highland City, FL, outside the regulated area. Aerial treatment of a 15-square-mile area was conducted August 6, and sterile fly release continues. About 310 state and 110 federal employees are assigned to the Medfly project.

Animal Liberation Front Sets Fire At Horsemeat Processing Plant: On July 26, the Animal Liberation Front claimed responsibility for a July 21 fire that destroyed Cavel West, a horsemeat processing plant in Redmond, OR, causing about \$1 million in damages. The Belgian-owned plant, which supplies horsemeat to European markets, opened in 1988 and has been a frequent target of animal rights groups.

Pennsylvania Poultry Disease Update: Pennsylvania agricultural officials reported a flock of 60,000 pullets outside the quarantine area tested positive July 23 for the avian influenza virus. The pullets are quarantined and state officials are monitoring all other poultry flocks in the New Holland area. To date, more than 1.6 million birds on 14 Lancaster County farms have been confirmed infected, and eight flocks have been destroyed and six remain under quarantine.

Carolina Broiler/Fryers Feel The Heat: On July 29, North Carolina agricultural officials reported more than 189,000 broiler/fryers on farms and an additional 23,000 broiler/fryers on trucks were lost between July 26-28 due to extreme heat. Nationwide, the recent heat reduced live weights from 4.77 pounds on July 14 to 4.59 pounds on July 25.

USDA Responds To Proposed Suspension of San Jacinto Port: USDA's Commodity Credit Corporation is reviewing a request from the General Counsel for Lake Charles Harbor and Terminal District, Lake Charles, LA, to suspend San Jacinto Port of Houston, TX from contracting with the federal government due to alleged employment of illegal immigrants associated with USDA commodity export programs.

USDA Addresses Minnesota Wolf Problem: Wolf-livestock conflicts continue at a record-setting pace in Minnesota, where the wolf population is currently at an all-time high. This year, 47 complaints of wolf depredation on livestock or poultry have been verified at 43 farms, compared with 27 complaints at 24 farms during the same period in 1996. USDA's Wildlife Services, formerly the Animal Damage Control program, captured and removed the offending wolves. Wolf depredation on livestock appears to be increasing because deer populations are down.

Bald Eagle Chicks Released At National Arboretum: On July 22, the Earth Conservation Corps released four more bald eagle chicks at the National Arboretum in Washington, DC, with Robert F. Kennedy, Jr. as the keynote speaker.

Compensation Proposal Announced For Wheat Industry Affected By Karnal Bunt: On July 30, USDA announced a proposal to compensate wheat seed growers, seed companies, and straw producers for losses incurred in the 1995-96 crop season due to Karnal bunt regulations.

Assistance Continues For Livestock Industry: By July 24, local USDA Farm Service Agency offices had received 14,891 applications for livestock losses totaling 377,581 animals under the Livestock Indemnity Program. Advance payments reached \$236,429 through July 17, and the Department estimates losses could total more than \$23.4 million.

As of July 28, 316 counties in 12 states have been approved for emergency grazing of Conservation Reserve Program acreage, and 208 counties have been approved for emergency haying.

Farm Numbers, Land In Farm Use Down Slightly: USDA estimates show the number of U.S. farms as of June 1 totaled 2.06 million, down less than 1 percent from last year. Total land in farms also decreased less than 1 percent to 968 million acres. Average farm size, at 470 acres, was unchanged from 1996. The number of farms in Texas, while remaining unchanged from last year, still led the nation with a total of 205,000, followed by Missouri with 102,000 and Iowa with 98,000. Texas, with 129 million acres, also continues to lead the nation in total land in farms and ranches.

Farmer Cooperatives' Income Reaches Record High: U.S. farmer cooperatives reported record net business volume of \$106 billion, up 13 percent from 1995, and record net income of \$2.37 billion, slightly above the \$2.36 billion for 1996.

Trade Developments: On July 24-30, USDA approved subsidies for 8,853 metric tons of milk products for export sales to the Caribbean, Central and South America, Asia, the former Soviet Union, Africa, and the Middle East.

On July 25, the work plan for exports of avocados from Mexico to the United States was signed by USDA and Mexican officials.

On July 25, the first cotton PL-480 agreement for FY97 was signed with the Ukraine, for 26,000 bales with a export value of \$10 million.

On July 31, Secretary Glickman and Ambassador Barshefsky met with the North Dakota delegation and Senators Baucus and Johnson to discuss possible Administration steps to curtail imports of Canadian wheat. Senator Dorgan indicated that he would raise this issue directly with the President.

Agricultural Markets in Review: For the week ending August 4, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.67	+0.03	-1.30
Corn \$/bu	2.62	+0.14	-1.84
Soybeans \$/bu	7.57	0	-0.12
Rice \$/cwt	11.39	-0.28	+1.67
Cotton ¢/lb	72.47	+0.14	-4.48
Steers \$/cwt	66.52	+1.87	+3.43
Hogs \$/cwt	56.95	-2.05	-4.40
Broilers ¢/lb	62.16	+0.28	-2.69
Cheese \$/lb	1.29	+0.02	-0.33
Butter \$/lb	1.02	0	-0.43

For the week ending August 4, wheat prices rose on news of dry conditions in Argentina, Australia, and Canada. Hot, dry conditions in the Midwest led to higher prices for corn and soybeans. Dry and hotter conditions in the South drove rice prices up. Cotton markets were quiet, although weather provided some support. Steer prices rose, following increased retail demand for Labor Day featuring. Hog prices fell, as some packers reduced their operating hours. Broiler prices remained virtually unchanged. Butter prices were steady, but cheese

prices rose as buyers are apparently building inventories.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

Welfare Reform Update: During the period July 28-August 5, USDA approved most of requests for Hartford, CT and the state of Illinois for exemptions 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, based on an unemployment rate greater than 10 percent.

A total of 33 of USDA's 100 commitments for Welfare to Work hires have been employed by USDA agencies.

First State Assistance Plan For Qualified Aliens Approved By Food Stamp Program: On July 29, USDA approved Washington's plan to purchase federal food stamps for use in a state-funded food assistance program for qualified aliens who were made ineligible for the Food Stamp Program due to the provisions of the welfare reform bill. The state will implement its program August 1, and first benefits will be issued September 1. The state will reimburse the Department for the costs involved.

III. NOTABLE CONGRESSIONAL ACTIVITY

Appropriations Update: The week of September 8, the Senate is expected to take up the Interior appropriations bill, which includes Forest Service funding. Senator Reid may offer an amendment affecting the construction of roads in the National Forest System. On a related note, Secretary Glickman met with Senators Gorton and Reid July 30 to discuss language in the Committee-passed bill that would terminate funding for the Western Director. Senator Gorton indicated that he might be willing to revisit this issue if timber industry representatives voiced support for the office and if he was assured that the Department would abide by other provisions in the bill.

Although the Senate voted to table an amendment to increase funding for the President's anti-tobacco initiative, Senator Harkin will re-offer the amendment September 3 when the Senate-passed language is inserted in the House bill and a motion to proceed to conference is considered. USDA does not oppose the proposal to offset \$25 million by limiting CCC expenditures for automated data processing and information technology equipment and services.

Research Title Reauthorization Bill Marked Up: On July 30, the Senate Agriculture Committee approved its version of the Research Title Reauthorization bill. USDA has several concerns regarding the bill and will work with the Committee before it is taken up on the Senate floor sometime in September. The House has held four hearings on research

reauthorization, but no bill has yet been introduced. The House Agriculture Subcommittee on Forestry, Resource Conservation, and Research hopes to mark up a bill in late September.

Hearing Held On Alaska Office Transfer: On July 31, the Senate Energy Committee held a hearing to discuss a congressional delegation proposal to move a Forest Service regional office from Juneau to Ketchikan, AK. The proposed move, contained in the Senate version of the Interior appropriations bill, has been criticized by numerous state and local officials, including the Governor. The Department has indicated that it has no plans to relocate the office and has been coordinating with the Governor's office on this issue.

Congressional Hearings:

September 4 -- Senate Agriculture, Nutrition, and Forestry Committee hearing on rural and agricultural credit.

September 11 -- Senate Agriculture, Nutrition, and Forestry Committee hearing on the tobacco settlement.

September 17 -- House Agriculture Committee hearing on the Forest Service Government Performance and Results Act.

September 18 -- Senate Agriculture, Nutrition, and Forestry Committee hearing on tobacco settlement.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

Aug. 12 -- state fair to discuss commodity programs, Springfield, IL.

Aug. 13 -- state fair to discuss commodity programs, Des Moines, IA.

Sept. 5-7 -- personal leave.

Sept. 15-16 -- National Summit on Food Recovery, Washington, DC.

Sept. 23-24 -- Gore-Chernomyrdin Commission, Moscow, Russia.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

Aug. 7 -- Shuttle launch, Cape Canaveral, FL.

Aug. 8 -- Alpha Zeta agriculture fraternity's Summit on Food, Fiber, and the Environment, Columbus, OH.

Aug. 10 -- International Conference of Agricultural Economists, Sacramento, CA.

Aug. 18-29 -- personal leave.

VI. SUB-CABINET SCHEDULE

Under Secretary for Natural Resources and Environment Jim Lyons:

Aug. 12 -- National Urban Resources Partnership Meeting, Denver, CO.

Aug. 13-14 -- Forest Service Regional Foresters' and Directors' meeting, St. Paul, MN.
Sept. 5-6 -- World Fly Fishing Championship & Conservation Symposium, Jackson, WY.
Sept. 15 -- National Association of State Foresters, Salt Lake City, UT.

Under Secretary for Rural Development Jill Long Thompson:
Aug. 25 -- National Rural Development Partnership, Delavan, WI.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:
Aug. 11-12 -- Bird Strike Committee meeting, Boston, MA.
Aug. 15 -- North Carolina Grove Arcade Public Market Foundation, Asheville, NC.
Aug. 18-20 -- International Symposium on Karnal Bunt, Raleigh, NC.
Sept. 9 -- Lee County Farm Bureau, Donnellson, IA.

Acting Chief Information Officer Anne Reed:
Sept. 19 -- Harvard Policy Group meeting on Network-enabled Services, Boston, MA.

VII. PRESS/MEDIA INQUIRIES

Food Chemical News requested information on the unacceptably high levels of dioxin in chicken produced by two Arkansas firms.

New York Times called regarding food safety security issues in a time of global trade for an upcoming piece scheduled for September.

New York Times, *Detroit Free Press*, and *Knight-Ridder* newspapers inquired about the number of states that are planning to provide benefits for immigrants who will lose food stamp benefits under the welfare reform law.

National Public Radio inquired about the \$1.5 billion that the budget reconciliation bill has made available to able-bodied adults without dependents.

Omaha World Herald ran a July 31 story about the new food safety Technical Service Center in Omaha, NE, which will centralize technical training of field inspectors, veterinarians, and enforcement personnel and will house computers receiving inspection data from meat and poultry plants from across the country.

NBC Nightly News filmed the Laguna Hotshots firefighting crew in the Pacific Southwest Region for a segment expected to air when a fire incident receives national attention by the network.

NBC Nightly News inquired about Forest Service road building in the national forests.

A writer for Disney working on a movie in Philadelphia called for information regarding the kinds of seed packets sold in general stores in the last century. The caller was particularly

interested in the National Agricultural Library's nursery and seed trade catalogs.

VIII. FOIA REQUESTS

A Denver, CO attorney requested copies of evidence or confirmation of money granted or awarded to Minority Enterprise Financial Acquisition Corporation.

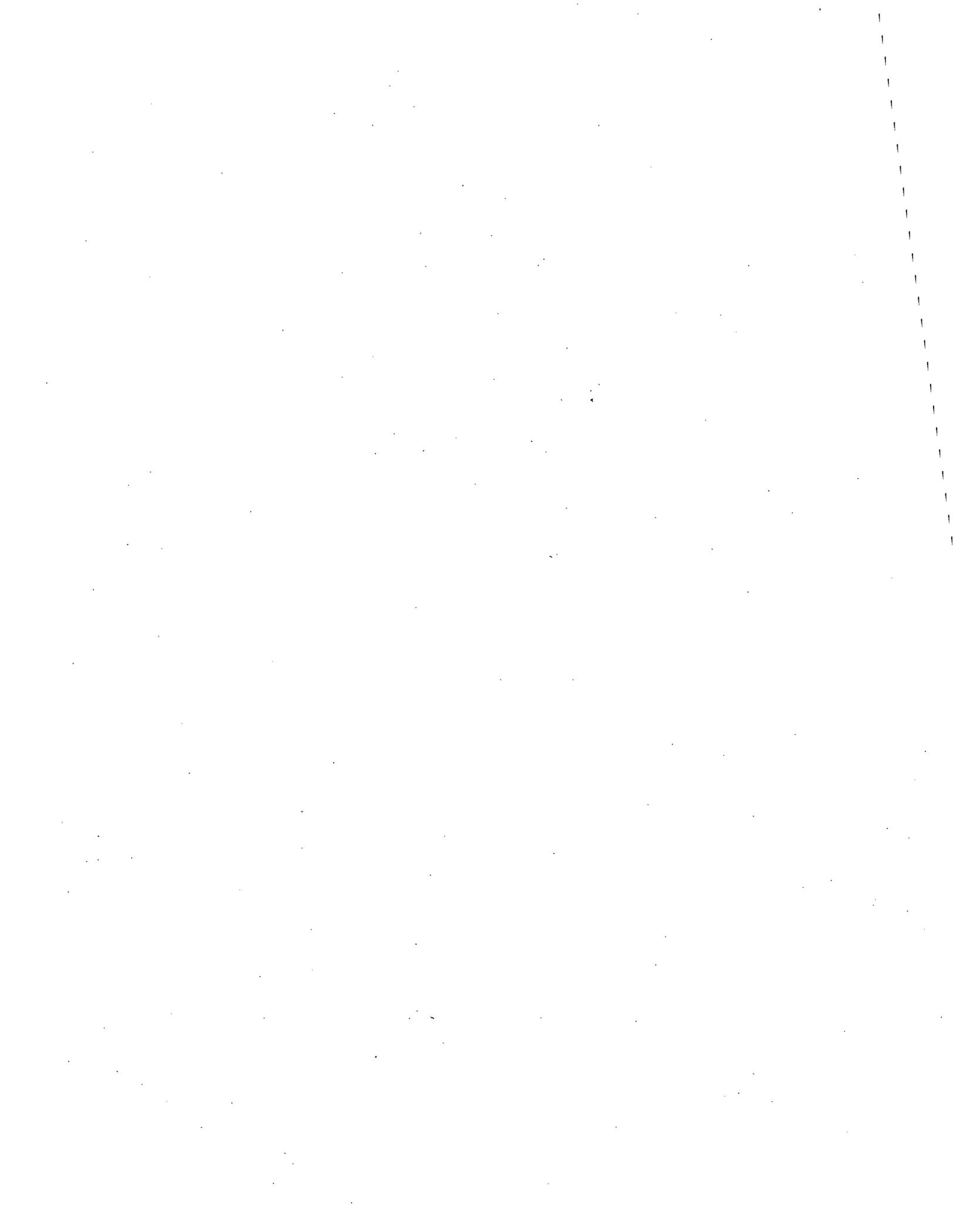
IX. WEEKEND CONTACT

Greg Frazier

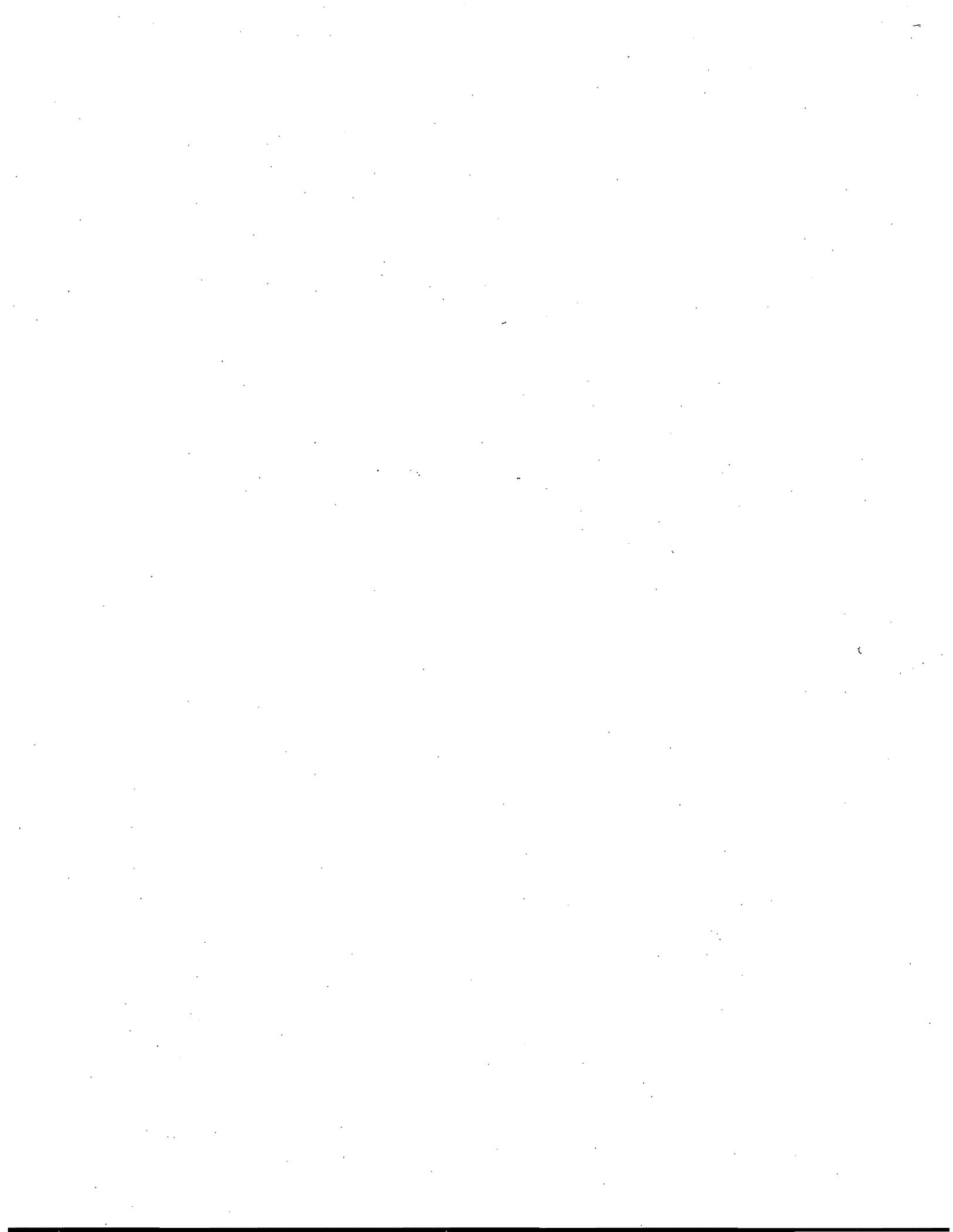
Home: (202) 543-7643

Pager: 1-800-710-5528

Week 9 August 19



Week of August 25



September 3, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of September 1, 1997

I. KEY DEPARTMENT NEWS

Assistance Continues For Livestock Producers: Final payments under the national Livestock Indemnity Program began Sept. 2.

Trade Developments: On August 23, Santiago supermarkets began selling the first California table grapes exported to Chile.

On August 26, Pakistan became eligible to purchase an additional \$5 million of wheat through the Food for Peace program.

For the week ending August 26, USDA approved subsidies enabling the sale of 12,165 metric tons of milk products to Africa, Asia, the Caribbean, Central, and South America, the Former Soviet Union, and the Middle East.

On August 27, Vietnam bought 10,000 tons of U.S. wheat, its first wheat purchase from the United States since normalization of trade relations in 1995.

USDA will soon notify Paraguay that the United States will no longer allow the import of meat from Paraguay due to that country's failure to implement an *E.coli* testing program.

New Food And Consumer Service Administrator Named: Secretary Glickman announced the appointment of Yvette Jackson as Administrator of the Food and Consumer Services following the resignation of William Ludwig.

USDA Officials Involved In Back-To-School Activities: On Sept. 9, Secretary Glickman will participate in a back-to-school event during breakfast at George McMechen School in Baltimore, MD. During the event, the Secretary will announce \$4 million in 1997 Team Nutrition Training Grants to assist schools in implementing the Dietary Guidelines for Americans in the school

nutrition programs.

Deputy Secretary Rominger will participate in a back-to-school breakfast on September 9 at New Hampshire Estates Elementary School in Silver Spring, MD.

Under Secretary Shirley Watkins will join students and faculty on September 8 for a back-to-school lunch at a school in Philadelphia, PA.

National Food Recovery And Gleaning Summit Plans Move Forward: As of August 27, 21 download sites for local summits had been confirmed with an additional 45 sites under consideration. The USDA Food Drive, which supports this initiative, opened Sept. 2 and will run through Sept. 12.

Food Safety Update: On Sept. 2, USDA officials returned to the Hudson Foods plant in Columbus, NE to conduct further evaluation of records and the facility, as well as review records of slaughter plants that provided raw product to the company. Hudson Foods, which announced that it sold its Columbus, NE plant to IBP Inc., continues to collect recalled product under USDA monitoring. There have been no new *E.coli* 0157:H7 outbreaks associated with the recall.

In response to the Hudson Foods outbreak, USDA has developed a protocol that will focus on supplier slaughter establishments and their process controls. Teams will be assembled the week of Sept. 8 and begin investigation the week of Sept. 15, with the first investigation to focus on the 12 suppliers of Hudson Foods.

On August 29, Secretary Glickman unveiled proposed legislation to provide consumers better protection from meat and poultry products that may be contaminated by giving USDA more authority to issue mandatory recalls; impose civil penalties; and withdraw inspectors from plants that have repeatedly violated food safety regulations.

The week of August 25, Under Secretary for Food Safety Catherine Woteki began a review of USDA policy on meat, poultry, and egg product recalls, including how recalls are publicized. The same week, USDA began posting information on product recalls on the Food Safety and Inspection Service's web site to ensure that the public has access to information on product recalls in a timely and efficient manner.

In other food safety news, 34 states are gathering information requested by USDA on inventories for chicken suspected of having higher than acceptable levels of dioxin. To date, Wisconsin and Chicago, IL are showing a substantial amount of product.

The Partnership for Food Safety Education will kick off the new Food Safety Month educational campaign on Sept. 30. The First Lady has been invited to host the event, which is expected to attract major media and over 200 representatives of federal, state, and local governments,

industry, education, public health, and related associations, and consumer groups.

Wildfire Update: There is high fire danger in California, the Great Basin, Northern Rockies, and the Pacific Northwest areas. The Pauba Fire (7,000 acres) near Temecula, CA should be contained Sept. 3. Evacuated residents have been allowed to return to their homes. The Indian Ridge Fire (4,500 acres) near Hagerman, ID continues to burn with erratic winds hampering control efforts. The Dewey 2 Fire (3,200 acres) near the Wyoming and South Dakota border continues to burn with containment expected Sept. 4.

Willamette National Forest Employee Abducted, Suspect Apprehended: On August 26, the alleged abductor of a Willamette National Forest (Oregon) employee was arrested by Forest Service law enforcement officials in Siskiyou County, CA. The employee was abducted while on duty on August 22 near Blue River, OR, and released on August 25 near Klamath Falls, OR. The suspect faces charges of kidnaping, assaulting a federal employee, and aggravated assault. Forest Service, Siskiyou County Sheriffs, California Department of Fish and Game, California Highway Patrol, and the Federal Bureau of Investigation law enforcement officers searched together to apprehend the suspect.

Recreation Residence Fees May Be Raised: On Sept. 2, people holding special use permits for recreation residences (summer homes) on the Sawtooth National Forest (Idaho) will begin a process that could result in new fees effective January 1998, from four to 20 times the current rate, because of the dramatic increase in the value of comparable land based on sales during the last 20 years.

Trial Coincides With Notice On Wildfire Suppression Aircraft Transfer Act: The criminal trial of retired former Forest Service Fire and Aviation Management Assistant Director Fred Fuchs and aircraft broker Roy Reagan resulting from the Historic Aircraft Exchange effort will begin Sept. 3 in Tucson, AZ, and is estimated to last six weeks.

District Court Enjoins Timber Harvests On Texas National Forests: On August 14, the District Court for the Eastern District in Texas ruled that timber management on the four national forests in Texas violated the National Forest Management Act, halting 78 timber sales on the forests. The case has attracted considerable public attention and the Forest Service is actively pursuing settlement negotiations.

Pocomoke River Fish Kill Update: The Cooperative State Research, Education, and Extension Service has provided \$19,000 in Extension Water Quality funding for a joint effort by the University of Maryland, University of Maryland at Eastern Shore, and Delaware State University related to recent fish kills in the Pocomoke River and causes that may be linked to poultry and excess nutrients from the poultry manure. Funds will be used to transport poultry litter out of the area and to investigate new composting technologies. TVA has donated \$400,000 in equipment that will be used in a demonstration pilot to compost the litter, compact it into pellets, and develop alternative uses.

FY97 Rural Development Update: As of August 28, USDA has approved 1,124 rural business and economic development grants and loans totaling nearly \$887.4 million, creating 13,276 and saving 17,994 jobs.

This fiscal year, the Department has obligated \$2.3 billion in loans and grants to assist 36,800 families in building a new home and 8,700 families in financing needed home repairs, while creating 40,200 jobs.

The Department has also obligated \$84 million to assist 492 families in building farm labor housing, as well as repairing and constructing new multi-family housing.

USDA has obligated \$211.5 million through 483 community facilities loans.

Civil Rights Update: Forty-seven of the 92 recommendations from the Civil Rights Action Team report issued in February have now been implemented and 71 percent of the actions to implement are completed.

Tobacco Settlement Update: On August 27, Secretary Glickman participated in a town hall meeting for local farmers with Rep. Clayton in Wilson, NC. On August 28, the Secretary toured the Central Tobacco Warehouse in Smithfield with Governor Hunt, North Carolina Agriculture Commissioner Jim Graham, and Rep. Etheridge, and visited the Carolina Warehouse in Lumberton with Rep. McIntyre and Commissioner Graham.

Agricultural Markets In Review: For the week ending August 28, average prices for commodities were:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.86	+0.07	-1.04
Corn \$/bu	2.66	+0.01	-1.19
Soybeans \$/bu	7.16	-0.11	-0.98
Rice \$/cwt	9.85	0.00	-1.26
Cotton ¢/lb	70.55	-0.74	-6.95
Steers \$/cwt	65.99	-0.19	-2.19
Hogs \$/cwt	52.31	-2.44	-5.39
Broilers ¢/lb	62.66	+0.96	-2.53
Cheese \$/lb	1.39	0.00	-0.30

Butter \$/lb	0.95	-0.06	-0.50
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The cattle market faces large supplies of cattle in feedlots, up 16 percent from a year earlier, and higher average slaughter weights, further boosting beef output, compounding the market's reaction to the Hudson Foods recall. USDA reported on August 29 that the price received by farmers for all milk during August 1997 averaged \$12.70 per cwt, up 50 cents from the July average.

Court Rules Connecticut To Repay USDA For Nutrition Funds: On August 21, the United States District Court for the District of Connecticut issued a decision requiring the Connecticut to repay USDA \$841,534 to reimburse funds the state improperly distributed from the National School Lunch Program and School Breakfast Program during fiscal years 1991-1992 to provide meals in correctional institutions which did not have separate facilities for inmates of school age.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

Welfare Reform Update: During the period August 27-Sept. 3, the Food Stamp Program approved an exemption based on insufficient jobs for several areas in Maine from the provisions of the welfare reform bill which limit Food Stamp Program participation to three months in any 36-month period of able-bodied adults without dependents between the ages of 18 and 50 unless the affected individuals are employed for an average of 20 hours per week or are participating in a work program. Those areas excepted are the Waterville Labor Market Area (LMA) in Kennebec County; and the Dexter-Pittsfield, Lincoln-Howland, Outer-Bangor, Millinocket-East Millinocket, and Patten-Island Falls LMAs in Penobscot County.

USDA Assists States On Effects Of Balanced Budget On Food Stamps: On August 22, the Food and Consumer Service (FCS) issued an implementing memorandum informing states of the major food stamp provisions of the Balanced Budget Act of 1997. The memorandum describes the new exemption from work requirements for able-bodied adults without dependents, the increase in employment and training funding, and the changes in alien eligibility rules. FCS plans to issue a second memorandum in the next week on the number of new exemptions available to each state for FY98 and each state's revised employment and training funding level.

Arkansas Fails EBT Acceptance Test: On August 5-6, the acceptance test of Arkansas's eligibility system interface with Citibank's Electronic Benefits Transfer (EBT) system failed. This test is the final required step in order for Arkansas to obtain USDA approval to implement its EBT system. Based on these results, USDA has determined that several critical components remain incomplete and that other areas tested require correction and further testing. Pilot implementation is being delayed, and the state hopes to complete its work and reschedule re-testing later this fall.

Empowerment Zone/Enterprise Community Update: On August 4, USDA approved funds for

two projects in the Williamsburg Enterprise Community, Kingstree, SC. A rural economic development grant of \$400,000 was provided to Santee Electric Cooperative to purchase land for an industrial park, and a \$400,000 loan was provided to Farmers Telephone Cooperative for building construction.

III. NOTABLE CONGRESSIONAL ACTIVITY

Appropriations Update: On Sept. 2, the Senate began debate on Senator Harkin's amendment to fully fund the President's tobacco initiative. The proposed offset for the amendment would affect USDA's authority to purchase computers. According to staff, the Senate will vote on the amendment on September 3, with conference beginning later during the week.

The week of Sept. 8, the Senate is expected to take up the Interior appropriations bill, which includes Forest Service funding.

Congressional Hearings:

September 4 -- Senate Agriculture, Nutrition, and Forestry Committee on rural and agricultural credit. The Committee will also review a proposal to create a Federal Agricultural Mortgage Program (FarmerMac) pilot program to meet lending needs in rural areas.

September 9 -- House Resources Subcommittee on Forests and Forest Health on Boundary Waters Canoe Area Wilderness.

September 11 -- House Agriculture Subcommittee on Department Operations, Nutrition and Foreign Agriculture to review public-private partnership of food banks.

September 11 -- House Resources Subcommittee on Forests and Forest Health on Forest Service decision-making and international forestry agreements.

September 11 -- House Science Subcommittee on Energy and Environment on USDA view of effects on agriculture of El Nino.

September 11 -- Senate Agriculture, Nutrition, and Forestry Committee on tobacco settlement.

September 16 -- House Resources Subcommittee on Forests and Forest Health on implications to public domain forests if the appointment process of the Chief of the Forest Service is altered by the post being selected by the President.

September 18 -- Senate Agriculture, Nutrition, and Forestry Committee on tobacco settlement.

September 18 -- House Resources Subcommittee on Forests and Forest Health on Greenhouse Gas Reduction.

September 24 -- House Resources Committee on American Heritage Rivers Initiative.

September 30 -- House Resources Committee on wildfire management.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

Sept. 5-7 -- personal leave.

Sept. 9 -- Back-to-School event, Baltimore, MD.

Sept. 10 -- Small Farms Commission meeting, Washington, DC.

Sept. 11 -- Fast Track speech to Kansas City, MO and Des Moines, IA chambers of commerce, Kansas City, MO.
Sept. 12 -- Congressional Black Caucus agriculture brain trust, Washington, DC.
Sept. 13 -- Kansas State Fair, technology transfer agreement, Wichita, KS.
Sept. 15 -- National Summit on Food Recovery, Washington, DC.
Sept. 19-20 -- Discussions with Egyptian officials on trade, Egypt.
Sept. 21-24 -- Gore-Chernomyrdin Commission, Moscow.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

Sept. 12-15 -- Small Farms Commission meeting, Sacramento, CA.
Sept. 19-20 -- Hedrick Agricultural History Center ribbon cutting ceremony, Woodland, CA.
Sept. 21 -- Yolo Land Trust annual meeting, Woodland, CA.
Sept. 22 -- President's Council on Sustainable Agriculture, Tulsa, OK.

VI. SUB-CABINET SCHEDULE

Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins:

Sept. 8 -- Mid-Atlantic Payment Accuracy Conference and Back-to-School event, Trevoese, PA.
Sept. 11 -- Congressional Black Caucus spouses forum, Washington, DC.
Sept. 16 -- Grocery Manufacturers of America, Washington, DC.
Sept. 19 -- Arkansas Department of Human Services employee recognition celebration, Little Rock, AR.
Sept. 21-23 -- Child and Adult Care Food Program, Milwaukee, WI.
Sept. 28 -- U.S. Conference of City Human Services, Washington, DC.

Under Secretary for Farm and Foreign Agricultural Services August Schumacher Jr.:

Sept. 5 -- meeting with Vietnamese Vice Minister Nguyen Van Dang, Washington, DC.

Under Secretary for Food Safety Catherine Woteki:

Sept. 16 -- Grocery Manufacturers of America, Washington, DC.
Sept. 24 -- National Science Foundation workshop, Washington, DC.
Sept. 25 -- Ceres Forum, sponsored by Center for Food and Nutrition Policy and American Association of Veterinary Medical Colleges, Washington, DC.

Under Secretary for Natural Resources and Environment Jim Lyons:

Sept. 5-6 -- World Fly Fishing Championship and Conservation Symposium, Jackson, WY.
Sept. 7 -- Continental Divide Trail Alliance Conference, Vail, CO.
Sept. 15 -- National Association of State Foresters, Salt Lake City, UT.
Sept. 18 -- Regional Council of Rural Counties, Sonora, CA.
Sept. 23 -- National Watershed Water Quality Project Symposium, Washington, DC.

Under Secretary for Research, Education, and Economics Miley Gonzalez:
Sept. 4-5 -- Wheat Growers, Grand Forks, ND.

Under Secretary for Rural Development Jill Long Thompson:
Sept. 17 -- National Electric Developers Association, Bloomington, MN.
Sept. 25 -- American Community Gardening Association, Indianapolis, IN.

Assistant Secretary for Marketing and Regulatory Programs Mike Dunn:
Sept. 5 -- Kansas State Fair, Hutchenson, KS.
Sept. 10 -- Hispanic Advisory Council, Washington, DC.
Sept. 11 -- National Agri-Marketing Association, Washington, DC.
Sept. 11 -- Foreign Animal and Poultry Disease Advisory Committee, Riverdale, MD.
Sept. 12 -- Iowa Farm Bureau delegation, Washington, DC.
Sept. 18-19 -- Mexican Bank of Foreign Trade Conference, Mexico City.

Acting Assistant Secretary for Administration Pearlie Reed:
Sept. 15-16 -- USDA Natural Resources Conservation Service Diversity Days Celebration,
Macon/Athens, GA.

Chief Economist Keith Collins:
Sept. 6 -- Cotton Board, Asheville, NC.
Sept. 9 -- Pork Producers Council, Washington, DC.

VII. PRESS/MEDIA INQUIRIES

On Sept. 3, *CBS Evening News* is expected to air an interview with an Inyo National Forest employee about living within a volcanic zone.

Los Angeles Times asked how many able-bodied adults without dependents will lose benefits as a result of welfare reform provisions. The original USDA estimate of up to 600,000 people to lose benefits under able-bodied adults without dependents provisions is being revised, and will probably fall as a result of waivers and the new provision to allow states to exempt 15 percent of able-bodied adults without dependents not already covered by waivers.

Atlanta Constitution requested an explanation of the impact of welfare reform on Child Nutrition Programs, particularly on immigrant children who will not lose benefits.

On August 27, *Columbus Dispatch* (Ohio) did an on-camera interview with Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins to discuss food stamp benefits changes for print and television segments.

KCTS Television, Seattle, WA, requested background on Washington state's implementation of a state benefits plan. The station is affiliated with *Jim Lehrer News Hour* and is considering doing

a lengthy piece on welfare reform.

The *Star-Ledger*, Newark, NJ, requested a status report on the number of states that have approved plans to provide state-funded nutrition assistance to legal immigrants. The governor of New Jersey had just issued an executive order announcing that New Jersey would provide benefits to legal immigrants (though USDA has not yet approved a state plan).

Reuters News Service is interested in doing a comprehensive look at the effects of welfare reform on the Food Stamp Program.

CNN asked what steps USDA has taken to prevent another situation like the Hepatitis A outbreak that was linked to commodity strawberries.

Scripps-Howard News Service requested a general explanation of food safety issues involving both beef and chicken and of the implications for the school lunch program.

On September 12, *NBC Dateline* will air an interview with Human Nutrition Research Center on Aging Director Irwin Rosenberg on homocysteine, amino acids, and cardiovascular disease.

The Washington Post inquired about writing an article on the hydrodyne process for meat.

Cable News Network requested information on tiger attacks in Texas.

Newsweek requested an interview with Agricultural Marketing Service Administrator Lon Hatamiya on the status of National Organic Program. *Business Week* also requested background on the program.

NBC Dateline requested answers to questions about shell egg surveillance.

Bloomberg Financial requested a report on the amount of chicken purchased from Tyson's Foods for the school lunch program during the past three years.

NBC Dateline called the Daniel Boone National Forest for information on the marijuana eradication program.

Wall Street Journal requested executive summaries to USDA Office of Inspector General audit reports completed in July.

VIII. FOIA REQUESTS

The News and Observer, Raleigh, NC, requested names and addresses of all government tobacco allotment holders in the United States. The request is under consideration to determine specifically what portion of the information can be released by the Department.

The Denver Power Company requested all correspondence among the Department, Forest Service, and the Environmental Protection Agency on regional haze rule, deliberations of Grand Canyon Visibility Transport Committee, and altering PM-10 standard. The company also requested information on letters between the Department and the Forest Service to the Environmental Protection Agency dealing with air quality.

IX. WEEKEND CONTACT

Greg Frazier

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Pager: 1-800-710-5528

September 10, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of September 8, 1997

I. KEY DEPARTMENT NEWS

Vice President To Open National Summit: On Sept. 15, Vice President Gore is scheduled to speak at the opening of the National Food Recovery and Gleaning Summit. In a surprise and unpublicized guest appearance, the singing group Peter, Paul, and Mary, is scheduled to join him. The singing group will also appear in a public service announcement with Secretary Glickman that will be shown at the Summit and telecast to downlink sites.

During the Summit, preparations are underway for the Secretary to release the report, "Household Food Security in the United States for 1995," the first of an annual series that will document the prevalence of food insecurity and hunger in the United States.

Follow-Up To Hudson Foods, Inc. Recall: Food Safety and Inspection Service Administrator Thomas Billy will meet with industry representatives Sept. 12 to address questions about ground beef production from a food safety standpoint.

On Sept. 5, Tyson Foods, Inc. announced the purchase of Hudson Foods, Inc., increasing Tyson's share of the broiler market by about 4 percent, bringing its total share to over 25 percent.

Tainted Strawberry Update: On Sept. 4, the Centers for Disease Control and Prevention notified USDA that the earlier reported cases of Hepatitis A in Maine which occurred at the same time as the Michigan outbreak can now be scientifically linked. All of the suspect strawberries have been and continue to remain on hold in all states until further guidance from the Court is provided, which has not yet responded to USDA's August 25 request that it reverse its earlier decision to return the strawberries to A&W.

Civil Rights Update: Mediation on the class action suit filed against the Department regarding African American farmers who were denied farm loans is expected to convene Sept. 24-30.

Secretary Glickman will deliver a speech on civil rights and helping small and socially disadvantaged farmers at the Congressional Black Caucus Braintrust Conference on Sept. 12.

First Loan Approved Under U.S. Community Investment Program: On Sept. 4, the first guaranteed loan under the U.S. Community Adjustment and Investment Program (the NADBank-funded program to offset job loss due to NAFTA) was approved by the Finance Committee for NADBank funding. The guaranteed loan, obligated through USDA Rural Development's Business and Industry Guaranteed Loan Program, is to the Southern Vegetable Cooperative in Mt. Vernon, GA. The loan, totaling \$229,000, will be used to construct additional controlled atmosphere rooms and storage facilities for Vidalia onions.

Secretary To Sign High-Tech MOU: Secretary Glickman is traveling to the Kansas State Fair in Hutchinson Sept. 13 to sign a Memorandum of Understanding (MOU) with Sen. Roberts and the Lt. Governor of Kansas that will mark the start of a five-year technology partnership designed to expedite the transfer of new technologies to Kansas industries by establishing a procedure for targeting new commercial opportunities to Kansas businesses, specifically in rural areas.

National Wildfire Report: Currently there is high fire danger in California, the Great Basin, and the Northern Rockies Areas. Large fire activity continues in California, most notably near Groveland, where the Priest Fire (500 acres) is threatening several structures.

Tobacco Report To Be Released: On Sept. 16, USDA will release the September Tobacco Situation and Outlook which will provide the first estimates of 1997 tobacco product consumption and provides updates of trade in tobacco leaf and products on a calendar and crop year basis. Initial reports from the flue-cured auction markets are summarized. Three special articles will be included, covering burley cost of production estimates for 1997, tobacco leaf import trends, and the affects of the tobacco industry on the economy.

Trade Developments: On Sept. 1, Japan imposed new quarantine measures on imports of fresh fruit from Florida in response to the recent Medfly outbreak originating outside quarantine areas in Hillsborough, Polk, Manatee, Orange, and Sarasota counties.

On September 1, Mexico imposed a provisional compensatory duty of 101 percent on imports of both varieties of U.S. Red and Golden Delicious apples, an action that is likely to restrict severely U.S. apple exports to this important market, which grew from \$9 million in 1990 to over \$42 million in 1996.

From August 27 through September 12, USDA approved subsidies to facilitate the export of 1,989 metric tons of dairy products.

Agricultural Markets in Review: For the week ending Sept. 6, wheat prices fell as export demand remained weak. Corn prices also fell, on improving production prospects in the United

States and heavy selling by China. Cotton prices declined for the fifth consecutive week. The Basic Formula Price (BFP) for milk in August rose sharply from July, mainly as a result of higher cheese prices.

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.90	0.02	-0.82
Corn \$/bu	2.67	0.01	-0.96
Soybeans \$/bu	6.99	-0.17	-1.09
Rice \$/cwt	9.85	0.00	-1.26
Cotton ¢/lb	70.51	-0.03	-5.70
Steers \$/cwt	65.42	-0.24	-4.24
Hogs \$/cwt	50.25	-1.60	-2.75
Broilers ¢/lb	61.79	+0.10	-3.33
Cheese \$/lb	1.39	0.00	-0.30
Butter \$/lb	0.96	+0.01	-0.49
Milk \$/cwt	12.53	+0.10	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

Food For Qualified Legal Aliens: USDA continues to work with states that want to implement state-funded food stamp programs for qualified legal aliens and expects that New Jersey's plan will be approved this week.

Arizona Requests Waiver To Privatize Food Stamp Certification: On August 5, Arizona asked USDA to grant a demonstration waiver request from the merit personnel requirements of the Food Stamp Act to conduct a two-year demonstration in which the food stamp certification process would be transferred to the private sector.

America Reads Project: Four states (CA, FL, TX, WA) are currently working on pilot projects for the *America Reads* tutorship and literacy project Rural Development plans to sponsor in farm labor housing projects nationwide. The rest of the state offices are expected to begin work finding partnerships and projects October 8.

III. NOTABLE CONGRESSIONAL ACTIVITY

Appropriations Update: Senate floor action is expected to begin Sept. 11 on the FY98 Interior Appropriations bill.

Congressional Hearings:

Sept. 11 -- Senate Energy and Natural Resources Committee on legislation directing a grant of 500,000 acres of federal lands in Alaska to the University of Alaska. The Secretaries of the Interior and Agriculture will recommend a veto, should the bill reach the President.

Sept. 11 -- Senate Agriculture, Nutrition, and Forestry Committee on the Tobacco Settlement - Implications for Farmers and Tobacco Crop Subsidies.

Sept. 12 -- House Education and Workforce Subcommittee on Workforce Protections field hearing in Newland, NC on issues relating to migrant and seasonal agricultural workers and their employers.

Sept. 13 -- House Resources Subcommittee on Forests and Forest Health field hearing in Sonora, CA on management of the Stanislaus National Forest and on the development of the California Spotted Owl Environmental Impact Statement.

Sept. 16 -- House Resources Subcommittee on Forests and Forest Health hearing on the question of whether the chief of the Forest Service should be appointed by the President.

Sept. 17 -- House Agriculture Subcommittee on Livestock, Dairy, and Poultry on Bureau of Land Management and Forest Service management of grazing on public lands.

Sept. 18 -- Senate Agriculture, Nutrition, and Forestry Committee on the Tobacco Settlement - Alternative Settlement Proposals. Deputy Under Secretary for Farm and Foreign Agricultural Services Dallas Smith is scheduled to testify on behalf of USDA.

IV. SECRETARY'S SCHEDULE

Sept. 11 -- Fast Track speech to Kansas City, MO and Des Moines, IA chambers of commerce, Kansas City, MO.

Sept. 12 -- Congressional Black Caucus agriculture brain trust, Washington, DC.

Sept. 13 -- Kansas State Fair, technology transfer agreement, Wichita, KS.

Sept. 15 -- National Summit on Food Recovery, Washington, DC.

Sept. 19-20 -- Discussions with Egyptian officials on trade, Egypt.

Sept. 21-24 -- Gore-Chernomyrdin Commission, Moscow.

V. DEPUTY SECRETARY'S SCHEDULE

Sept. 12-15 -- Small Farms Commission meeting, Sacramento, CA.

Sept. 19-20 — Hedrick Agricultural History Center ribbon cutting ceremony, Woodland, CA.
Sept. 21 — Yolo Land Trust annual meeting, Woodland, CA.
Sept. 22 — President's Council on Sustainable Agriculture, Tulsa, OK.

VI. SUB-CABINET SCHEDULE

Under Secretary for Farm and Foreign Agricultural Services August Schumacher, Jr.:

Sept. 16 -- Risk Management Education Summit, Kansas City, MO.

Under Secretary for Food, Nutrition, and Consumer Services Shirley R. Watkins:

Sept. 11 -- panelist, "What Can We Do To Feed Our Friends," 8th Annual Issue Forum of the Congressional Black Caucus Spouses, Washington, DC.

Sept. 16 -- speaker, Grocery Manufacturers of America Fall Technical Regulatory Affairs Conference, Washington, DC.

Sept. 19 -- Arkansas Department of Human Services Annual Employee Recognition Celebration, Little Rock, AR.

Sept. 22 -- 11th Annual Conference of the Child and Adult Care Food Program, Milwaukee, WI.

Sept. 28 -- U.S. Conference of City Human Services, Washington, DC.

Under Secretary for Food Safety Catherine E. Woteki:

Sept. 16 -- Grocery Manufacturers of America Conference in Washington, DC.

Sept. 24 -- National Science Foundation Workshop, Washington, DC.

Sept. 25 -- Ceres Forum at Georgetown University, Washington, DC.

Under Secretary for Natural Resources and Environment Jim Lyons:

Sept. 15 -- National Association of State Foresters, Salt Lake City, UT.

Sept. 18 -- Regional Council of Rural Counties, Sonora, CA.

Sept. 20 -- 8th National Urban Forest Conference, Atlanta, GA.

Sept. 23 -- National Watershed Water Quality Project Symposium, Washington, DC.

Sept. 26 -- Public Lands Council Meeting, Bozeman, MT.

Under Secretary For Research, Education, and Economics I. Miley Gonzalez:

Sept. 11 -- testify before House Committee on Science Subcommittee on Energy and Environment.

Under Secretary for Rural Development Jill Long Thompson:

Sept. 17 -- National Rural Electric Developers Assoc. Annual Meeting, Bloomington, MN.

Sept. 24 -- Iowa Farm Bureau Federation, Washington, DC.

Sept. 25 -- American Community Gardening Association, Indianapolis.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

Sept. 12 -- Iowa Farm Bureau Delegation, Washington, DC.

Sept. 18-19 -- Mexican Bank of Foreign Trade Conference, Mexico City.

Acting Assistant Secretary for Administration Pearlie Reed:
Sept. 15-16 -- USDA Natural Resources Conservation Service Diversity Days Celebration,
Macon/Athens, GA.
October 7 -- USDA Natural Resources Conservation Service Multi-State Civil Rights Meeting
for Western Region, Seattle, WA.

VII. PRESS/MEDIA INQUIRIES

USA Today requested the latest information regarding which states are providing their own benefits programs to help soften the impact of welfare reform provisions on legal immigrants. They also requested average food stamp benefits for various household sizes.

Christian Science Monitor requested information about the number of individuals who are estimated to lose food stamp benefits under the law and the projected annual savings from such action.

Conus Communications (TV) has requested an on camera interview with Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins. They are interested in focusing on the fact that Ms. Watkins is the first African-American woman to hold her position.

The Washington Post requested information about the most recent Team Nutrition materials provided to school food service staffs and the consumption of chocolate milk in school programs.

NBC Dateline carried a program about Hudson Foods, Inc. Sept. 8 and interviewed employees who were told of practices that could endanger food safety, which allegedly were carried out when USDA inspectors were not present.

Kansas City Star asked about U.S. exports, specifically, the unusual or specialty items the United States exports to foreign markets.

Associated Press asked about log exports and a legislative rider on the Interior Appropriations Bill that is supported by Senator Gorton.

Los Angeles Times asked how many able bodied adults without dependents will lose benefits as a result of welfare reform provisions. Earlier in the year, USDA estimated up to 600,000 people would lose benefits, but that number is being revised very probably downward as a result of waivers and the new provision to allow states to exempt 15 percent of such individuals not already covered by waivers.

Atlanta Constitution requested an explanation of the affect of welfare reform on the child nutrition programs, in particular whether immigrant children will lose benefits.

VIII. FOIA REQUESTS

No major FOIA requests to report.

IX. WEEKEND CONTACT

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September 17, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of September 15, 1997

I. KEY DEPARTMENT NEWS

- **First National Food Recovery And Gleaning Summit Held:** Secretary Glickman hosted the National Summit on Food Recovery and Gleaning, Sept. 15-16, in Washington, DC, which featured remarks by the Vice President. At the Summit, down linked to 150 sites nationwide, the Secretary announced government, community, volunteer, and business efforts to help feed the hungry. The federal government will lead a public-private partnership to work toward increasing food recovery by 33 percent by the year 2000, providing sufficient additional food to feed 450,000 persons a day.

Other activities included the Vice President's announcement of the release of the report, *Household Food Security in the United States for 1995*; the presentation of award certificates to 15 Heroes of Food Recovery and Gleaning; and the Secretary's announcement that USDA employees donated over 500,000 pounds of food for distribution to local food banks around the country.

NBC, CNN, ABC, C-Span, Fox Broadcasting, The Washington Post, The Record, Lodging magazine, Cox newspapers, LaSalle News Tribune (Illinois), Federal Times, Hearst, Agence France-Presse, Restaurants & Institutions, Bloomberg TV, National Journal, Futures World News, Reuters, FNH News, Conus, Nutrition Week, and the wire services covered the event.

- **Fast Track Activities:** Secretary Glickman spoke to the Kansas City, MO and Des Moines, IA chambers of commerce Sept. 11. During a visit to the Kansas State Fair on Sept. 12, the Secretary discussed fast track legislation and the President's climate change initiative, in addition to a broad range of agricultural issues.

On Sept. 16, the Secretary joined other Cabinet members to brief the Senate Democratic Caucus on the fast track legislative proposal and participated in a fast track briefing for the House Democratic Caucus.

Deputy Secretary Rominger discussed fast-track negotiating authority to agriculture, trade, and the economy in a speech before the United Fresh Fruit and Vegetable Association's Washington Public Policy Conference in Washington, DC., Sept. 11.

Under Secretary for Farm and Foreign Agricultural Services August Schumacher traveled to Des Moines, IA Sept. 11 to participate in the Secretary's fast track joint kick-off in Kansas City, MO.

USDA's Foreign Agricultural Service produced a comprehensive information kit on fast track that included state-by-state trade analysis, various commodity sector papers, and papers on various issues, such as what trade means to overall employment.

- **Food Safety Update:** On Sept. 15, USDA began its investigation of 10 slaughtering plants which supplied beef to Hudson Foods, Inc. in Columbus, NE. Food Safety and Inspection Service (FSIS) teams are comprised of a compliance officer, a veterinarian, and a microbiologist and the FSIS district enforcement office is heading up the investigation. The teams will expand their investigations to additional suppliers if information develops leading to other Hudson production dates or suppliers.

USDA plans to hold a public meeting on Sept. 24 to discuss its recall policy, including the policy on public notification about product going to hotels, restaurants, and institutions such as schools that have primary control over distribution.

- **Civil Rights Update:** Since Jan. 1 and as of Sept. 8, USDA has closed 117 cases involving program discrimination complaints and 503 cases of equal employment discrimination complaints. 878 and 1,318 cases, respectively, remain open.

The third public hearing of the National Commission on Small Farms was held Sept. 10-11 at USDA headquarters. The fourth and final full Commission hearing will be held in Fresno, CA, Sept. 15.

USDA's Native American program manager is participating in the 44th annual conference of the Affiliated Tribes of Northwest Indians in Spokane, WA. This year's program features several topics, including an update on Indian water rights, welfare reform, Indian child welfare, a cultural awareness panel, and other educational and health issues; the program manager will also be delivering an update on the progress of the USDA's Civil Rights Implementation Team.

Mexican American Legal Defense and Education Fund General Counsel Georgina Verdugo was the keynote speaker at the Department's 1997 National Hispanic Heritage Month opening ceremony held Sept. 15.

- **National Agricultural Library Establishes Pfiesteria Web Page:** The National Agricultural Library has established a new web page (<http://www.nal.usda.gov/wqic/pfiest.html>) on Pfiesteria piscicida, the toxic organism killing fish and generating health concerns in Maryland and North Carolina waterways. The site contains links to North Carolina State University laboratories doing Pfiesteria research, Pfiesteria fact sheets from Maryland and North Carolina government agencies, and a bibliography of scientific literature on Pfiesteria.
- **USDA Moves On Child Care Assistance:** USDA's Rural Housing Service will provide over \$1 million in partnership with the Federal Housing Finance Board, Head Start, and Local Initiatives Support Corporation on five pilot projects in four states (Arkansas, Kansas, Maryland, and Wisconsin) to fund child care services in rural areas in an effort to make it easier for rural residents to make the transition from welfare to work.
- **Appropriations Update:** The Senate and House completed conference on Sept. 17. Floor action is expected soon.

As of this writing, the Senate was still debating the Interior Appropriations bill, including the Bryan amendment on forest roads funding.

- **USDA Participates In National Environmental Dialogue On Pork Production:** USDA officials attended a meeting of the National Environmental Dialogue on Pork Production on Sept. 10-12 in Raleigh, NC, conducted with the help of the Clean Water Foundation and several federal, state and local agencies and units of government. The objective of the dialogue is to identify, develop, implement, and evaluate pork production practices that meet environmental needs while protecting individuals' investments in production facilities and farm operations.
- **Wildfire Update:** The Malheur National Forest (Oregon) will issue a Record of Decision and Final Environmental Impact Statement for the Summit Fire Recovery Project by Sept. 19. This project proposes activities to restore over 28,000 acres burned by the Summit fire in August 1996 and responds to comments received in 100 letters including those from Members of the House Agriculture Committee and the staff from the Oregon Governor's office during a field trip.

Beginning the week of Sept. 14, *Discovery Channel Online* will carry a series of articles about wildfires and smokejumpers, which were produced by the National Interagency Fire Center.

- **Anthrax Found In New Mexico:** The New Mexico Diagnostic Laboratory in Albuquerque, NM confirmed a case of anthrax in a cow from Lea County, NM on Sept. 6. The disease has also been confirmed in herds in four Texas counties: Terrell, Crockett, Edwards, and Parker.
- **Supreme Court Denies Timber Company Petition:** On Sept. 12, Justice Scalia denied Precision Pine Company's petition to exempt three timber sales from a Ninth Circuit injunction of timber harvest, grazing, and other uses of National Forest System lands in Arizona and New Mexico. Precision Pine, a small Southwestern timber company, asserted that it would be forced out of business unless the exemption was granted. At issue in the underlying case, Forest Guardians v. Glickman, is plaintiff's contention that forest plan amendments must apply retroactively.

In related developments, grazing interests have filed two new lawsuits. In Arizona Cattle Growers Assn. v. Cartwright, ranchers allege that the Forest Service failed to comply with the applicable administrative and environmental laws in the promulgation of the forest plan amendments at issue in the Forest Guardians litigation. They seek to have the grazing portion of the management direction set aside.

On August 22, two counties and 23 grazing permittees on the Gila National Forest (New Mexico) and the Apache-Sitgreaves National Forest (Arizona) sued the Forest Service in New Mexico (Federal Lands Legal Consortium v. United States). The plaintiffs allege that the Forest Service violated Constitutional due process and various environmental laws when it issued new permits in 1995 that authorized significantly less grazing than the previous permits. Plaintiffs allege that the reductions were done, without their involvement, to avoid more lengthy and time-consuming NEPA and ESA requirements that would have resulted if grazing remained at prior levels.

- **Trade Developments:** From Sept. 3-10, USDA approved subsidies to facilitate the export of 4,608 metric tons of dairy products to various locations.

For the week, USDA made three announcements providing \$222 million in export credit guarantees to facilitate the export of U.S. agricultural commodities and products to Caribbean countries and Argentina.

On Sept. 5, the International Dairy Foods Association, the National Milk Producers Federation, and the U.S. Dairy Export Council filed a petition requesting that the United States challenge Canada's dairy export pricing and its tariff rate quota for fluid milk.

Following consultations between U.S. and Canadian officials on Sept. 8, Canada agreed to suspend its tariff rate quota on barley and barley containing products from the United States.

On Sept. 9, New Zealand plant quarantine authorities announced the finalization of an import health standard, which clears the way for the entry of U.S. grown mangoes.

On Sept. 10, the European Union Commission decided that national bans on the sale of genetically modified corn by Austria, Italy, and Luxembourg are illegal and should be reversed. The Commission's decision will not become effective until final approval.

On Sept. 12, U.S. and Mexican grape industry representatives, Mexican officials, and the Agricultural Minister-Counselor's office reached an agreement which would allow grapes to enter Mexico without labeling restrictions for a period of 90 days or until at least Nov. 30, allowing trade to resume through the end of the season.

The second of four shipments of grain sent to North Korea was 100,000 metric tons of corn, milled rice, and corn-soya blend, due to arrive in N'ampo on Sept. 16; two additional shipments are expected to arrive Sept. 29 and October 10.

- **Agricultural Markets In Review:** For the week ending Sept. 12, wheat prices fell following improved crop conditions in Australia and Argentina. Corn prices fell, despite USDA forecasts for a slightly smaller 1997/98 crop. Rice prices are steady despite harvest pressure, while futures rose on news of a disappointing Arkansas harvest to date. Soybean prices fell. Cotton prices reversed their downward spiral last week, supported by USDA's forecasts of robust domestic consumption and exports. Fed cattle prices rose, as high slaughter rates begin to eat into feedlot supplies. Hog prices weakened as seasonally larger supplies invade the market. Cheese prices were unchanged, but butter prices rose slightly.

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.81	-0.09	-0.82
Corn \$/bu	2.62	-0.05	-1.01
Soybeans \$/bu	6.97	-0.02	-1.18
Rice \$/cwt	9.88	0.00	-1.12
Cotton ¢/lb	70.76	0.25	-4.70
Steers \$/cwt	67.15	+1.73	-3.36
Hogs \$/cwt	50.05	-0.20	-3.70
Broilers ¢/lb	61.27	-0.52	-4.11
Cheese \$/lb	1.39	0.00	-0.30
Butter \$/lb	1.00	+0.04	-0.45
Milk \$/cwt	12.52	+0.02	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- Empowerment Zone/Enterprise Community Update:** USDA Rural Development awarded the Valley Small Business Development Corporation (VSBDC) a \$600,000 loan to assist businesses within Central Valley, CA designated Champion Communities. The VSBDC will re-lend the funds for the development of business facilities or community development projects within the following Champion Communities: City of Shafter, Kern County; I-5 Business Development Corridor, Fresno County; Kings Community Action Agency, Kings County; and the Planada Community Development Corporation, Merced County.

The second in a series of three welfare reform meetings took place in Douglas, Nogales, and San Luis, AZ on Sept. 10-12. Enterprise Community advisory committees in each of the three Arizona Border Region Enterprise Cities participated in the meetings to assist residents affected by welfare reform. The welfare reform workshops are sponsored by the Arizona Department of Commerce, the SouthEastern Arizona Governments Organization, the Western Arizona Council of Governments, and the Arizona USDA Rural Development Office. The Arizona Association of Community Action Agencies and the Arizona Justice Institute participated in the program presentation.

- **Good Neighbor Environmental Board Meets In California:** USDA Rural Development Arizona State Director Alan Stephens attended the first joint meeting of the Good Neighbor Environmental Board and its Mexican counterpart, the National Advisory Council for Sustainable Development, in San Diego, CA, Sept. 10-11. The Good Neighbor Environmental Board is a Presidential and Congressional Advisory Committee on U.S.-Mexico Border Environmental and Infrastructure Issues.

III. NOTABLE CONGRESSIONAL ACTIVITY

Congressional Hearings:

- Sept. 18 -- Senate Agriculture, Nutrition, and Forestry Committee on the Tobacco Settlement - Alternative Settlement Proposals.
- Sept. 23 -- House Resources Subcommittee on Forests and Forest Health on Community Protection and Hazardous Fuels Reduction Act of 1997.
- Sept. 23 -- House Agriculture Subcommittee on General Farm Commodities on fast-track authority and its impact on agricultural trade. Under Secretary for Farm and Foreign Agricultural Services Gus Schumacher will testify on behalf of USDA.
- Sept. 24 -- House Resources Committee on American Heritage Rivers Initiative.
- Sept. 25 -- House Agriculture Subcommittee on Forestry, Resource Conservation, and Research on legislation that would reauthorize USDA's agricultural research programs.
- Sept. 30 -- House Resources Committee on wildfire management. Secretary Glickman will testify on behalf of USDA.
- October 7 -- Senate Agriculture Committee on food safety issues and recent food safety legislation proposed by USDA.
- October 9 -- House Agriculture Subcommittee on General Farm Commodities on agricultural economic outlook.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

Sept. 19-20 -- Discussions with Egyptian officials on trade, Egypt.

Sept. 21-24 -- Gore-Chernomyrdin Commission, Moscow.

Sept. 28-29 -- 1890s Task Force meeting, Langston University Centennial, USDA research center groundbreaking, Langston, OK.

October 3 -- Climate change event, Centerville, IA.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- Sept. 19-20 — Hedrick Agricultural History Center ribbon cutting ceremony, Woodland, CA.
- Sept. 21 — Yolo Land Trust annual meeting, Woodland, CA.
- Sept. 22 — President's Council on Sustainable Agriculture, Tulsa, OK.

VI. SUB-CABINET SCHEDULE

Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins:

- Sept. 19 -- Arkansas Department of Human Services employee recognition celebration, Little Rock, AR.
- Sept. 22 -- Child and Adult Care Food Program conference, Milwaukee, WI.
- Sept. 28 -- U.S. Conference of City Human Services, Washington, DC.

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Under Secretary for Food Safety Catherine Woteki:

- Sept. 24 -- National Science Foundation workshop, Washington, DC.
- Sept. 25 -- Ceres Forum, sponsored by Center for Food and Nutrition Policy and the American Association of Veterinary Medical Colleges, Washington, DC.

Under Secretary for Natural Resources and Environment Jim Lyons:

- Sept. 18 -- Regional Council of Rural Counties, Sonora, CA.
- Sept. 20 -- Urban Forest conference, Atlanta, GA.
- Sept. 23 -- National Watershed Water Quality Project Symposium, Washington, DC.
- Sept. 26 -- Public Lands Council Meeting, Bozeman, MT.
- Sept. 30 -- Western Governors Association conference, Jackson, WY.

Under Secretary for Rural Development Jill Long Thompson:

- Sept. 25 -- American Community Gardening Association, Indianapolis, IN.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- Sept. 18-19 -- Mexican Bank of Foreign Trade Conference, Mexico City.
- October 1 -- Animal and Plant Health Inspection Service Golden Hammer Award, University of Maryland.

Acting Assistant Secretary for Administration Pearlie Reed:

- Sept. 18 -- National Association of Conservation Districts Business Alliance Council, Washington, DC.

VII. PRESS/MEDIA INQUIRIES

- *New York Times* interviewed Food Safety and Inspection Service Administrator Thomas Billy and Under Secretary for Food Safety Catherine Woteki about globalization of food safety and the effectiveness of the USDA leadership role in the Codex Alimentarius, which is authorized by the United Nations to set food safety standards.
- *Forbes* magazine called regarding a USDA investigation into poultry grower contracts and miscellaneous issues surrounding the Hudson Foods, Inc. recall and subsequent purchase of the company by Tyson.
- *Denver Post* asked about USDA work on improving plant varieties and other genetic research.
- *The Christian Science Monitor* requested information about the number of individuals who are estimated to lose food stamp benefits under the law and the projected annual savings from such action.

VIII. FOIA REQUESTS

- No significant FOIA requests to report.

IX. WEEKEND CONTACT

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September 24, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of September 22, 1997

I. KEY DEPARTMENT NEWS

- **Secretary Glickman Returns From Gore-Chernomyrdin Meetings:** Secretary Glickman traveled to Moscow Sept. 21-23 to accompany Vice President Gore for the ninth plenary meeting of the Gore-Chernomyrdin Commission (GCC). The Secretary co-chaired the GCC agribusiness committee, during which he and his Russian counterpart, Deputy Prime Minister Khlystun, discussed ways of intensifying U.S. participation in accelerating Russian agricultural reforms.
- **Oil And Gas Leasing Decision Announced:** The final environmental impact statement and Record of Decision for oil and gas leasing on the Lewis and Clark National Forest in Montana was announced Sept. 23. No lands on the Rocky Mountain Division will be offered for lease as a result. The announcement generated considerable public attention.
- **Cooperative Effort Begun To Improve Maryland Water Quality:** USDA has almost completed an agreement with Maryland for a state Conservation Reserve Enhancement Program, which will put up to 100,000 acres of land for riparian buffers, wetland restoration, and erosion control methods to protect the Chesapeake Bay.
- **Civil Rights Update:** On Sept. 29-Oct. 1 in Oklahoma City, OK, the USDA/1890 Task Force will meet and participate in Langston University's centennial celebration. Secretary Glickman will speak at the formal opening ceremony and participate in the official ground breaking ceremony for the Agriculture Research, Extension, and Education Center on Sept. 30.

USDA's National Center for Diversity at Kentucky State University has announced its 1998 diversity education workshop schedule, that offers training in developing a multi-cultural camp experience; understanding learning styles to enhance teaching and program development; building communication and human relations skills for effective teamwork; diversity at work and beyond; and building cultural competence.

The National Commission on Small Farms held its fourth and final public hearing Sept. 15 in Sacramento, CA, that more than 150 people attended and about 40 testified. The Commission is scheduled to complete its report in mid-October.

USDA will conduct "The Native American Commodity Outreach Conference" in Tulsa, OK on Sept. 30 to provide Native Americans an introduction on selling products to the Department:

- **Kick-Off Held For Childhood Hunger Day:** On Sept. 22, USDA officials participated in several kick-off activities in anticipation of Childhood Hunger Day: Deputy Under Secretary for Food, Nutrition, and Consumer Services Mary Ann Keeffe visited Bailey's Elementary School in Falls Church, VA to participate in a school breakfast prepared by professional chefs; in Lubbock, TX, professional chefs worked with the Breedlove Dehydration Plant to produce creative, appealing recipes from dehydrated vegetables.
- **Tainted Strawberries Update:** On Sept. 18, the presiding judge in the criminal case involving distribution of Hepatitis A-contaminated strawberries by Andrew and Williamson (A&W) Sales, Inc. signed the second bench order mandating A&W remove product from schools and states across the country within 60 days. The order directs A&W to reimburse USDA for the full value of the product and the schools and states for storage, transportation, consolidation, and costs, processing the strawberries into other items, and destruction should A&W prefer to have product destroyed by the school or state.
- **GAO Reviews Recall Of Dioxin-Contaminated Chicken:** USDA officials met with General Accounting Office (GAO) analysts on Sept. 11 about GAO's study of USDA's recall of school meals' chicken products suspected of dioxin contamination. GAO expects to complete its report in early October.
- **Volunteers Gather For Public Lands Day:** On Sept. 27, thousands of citizens from across the nation will gather at various national forests and grasslands to volunteer to repair trails, restore streambanks, construct bridges, enhance habitat, and much more.
- **Tourism Agreement Signed:** On Sept. 22, USDA officials signed a Memorandum of Understanding with the Western States Tourism Policy Council under which the Department will work to implement the National Tourism Strategy adopted by the 1995 White House Conference on Travel and Tourism and the recommendations of the 1996 Western Summit on Tourism and Public Lands.

- **Arrests Made At Cove-Mallard Protest:** During the week of Sept. 14, five protesters were arrested at the Cove-Mallard timber sale on the Nez Perce National Forest in Idaho after law enforcement personnel attempted to remove the protesters and dismantle various obstructions that impeded entry to the sale area and road repair work.
- **USDA Agencies Announce Innovative Purchase Agreement:** In a move designed to supply non-fat dry milk to the nation's food aid programs and give a boost to the dairy industry, USDA will provide 20 million pounds of non-fat dry milk (purchased under the Milk Price Support Program) to domestic food aid programs, in addition to the 4 million pounds that the Department will make available to the Commodity Supplemental Food Program as required by the Agriculture and Consumer Protection Act of 1973.
- **Arkansas Earns Extra Food Stamp Funding:** On Sept. 19, USDA presented Governor Huckabee a check for \$3.1 million, an award to Arkansas for achieving a food stamp error rate below 4.54 percent.
- **Tobacco Loans Continue To Increase:** Tobacco farmers have put nearly 62 million pounds under loan this year, nearly 14.5 percent of the 430 million pounds of net producer sales. If the trend continues, USDA analysts estimate that 150 million pounds of the 1997 crop could go under price support loan.
- **Dairy Exports Update:** For the week ending Sept. 17, USDA provided subsidies to facilitate the export of 3,140 metric tons of dairy products to several destinations in Central and Latin America, Africa, Asia, and the Former Soviet Union.
- **USDA To Release Reports:** On Sept. 29, USDA will issue a report identifying trends in land, water, and commercial input use. The report will describe the condition of natural resources used in the agricultural sector, and assess public policies that affect conservation and environmental quality in agriculture.

On Sept. 30, USDA will report the details of farm income for the 1996 calendar year, showing that net farm income earned by farm operators was up by \$15.4 billion as net value-added by the agricultural sector increased by 25 percent over 1995 and reached record levels in 1996. The value of final crop output soared \$17 billion; overall prices and total value of livestock production in 1996 was \$4.35 billion higher than the previous year.

- **Agricultural Markets In Review:** For the week ending Sept. 19, prices for wheat fell slightly on news that crop prospects overseas improved and rains hit the Southern Plains. Corn prices fell, mostly on harvest pressure and selected reports of good yields. Rice prices remained steady, while futures rose on brisk export sales to Latin America and concerns over the size of the Arkansas crop. Soybean prices fell on harvest pressure, as domestic demand continues strong, particularly for soybean oil. Cotton prices rose

slightly. Cattle prices fell, as feedlot inventories remain large. Hog prices rose on average. Cheese prices were unchanged, while USDA's Dairy Export Incentive Program sales helped boost butter prices.

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.75	-0.06	-0.81
Corn \$/bu	2.54	-0.08	-0.80
Soybeans \$/bu	6.85	-0.12	-1.15
Rice \$/cwt	9.88	0.00	-0.12
Cotton ¢/lb	71.02	+0.26	-3.70
Steers \$/cwt	66.50	-0.65	-5.31
Hogs \$/cwt	51.75	+1.70	-2.90
Broilers ¢/lb	60.61	-0.66	-4.53
Cheese \$/lb	1.39	0.00	-0.30
Butter \$/lb	1.07	+0.07	-0.38
Milk \$/cwt	12.59	+0.07	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- Food Stamp Reform Update:** USDA is currently reviewing a waiver for several areas in Maine from the provisions of the welfare reform bill which limits Food Stamp Program participation to three months in any 36-month period of able-bodied adults without dependents between the ages of 18 and 50 unless the affected individuals are employed for an average of 20 hours per week or are participating in a work program. Texas has requested an extension of its approved waiver based on unemployment over 10 percent. USDA anticipates receiving a formal request from New Hampshire for a similar waiver based on insufficient job opportunities.
- State-Funded Food Stamp Programs For Aliens Update:** USDA has received state plans from California, Florida, and Maryland to implement state-funded food stamps for aliens excluded from food stamp eligibility under welfare reform.
- Welfare To Work Update:** USDA has hired 75 welfare to work recipients, 75 percent of its goal of 100 recipients for FY97. The Department expects to reach its full commitment by Sept. 30.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Fast Track:** On Sept. 23, Under Secretary for Farm and Foreign Agricultural Services August Schumacher testified before the House Subcommittee on General Farm Commodities on the Administration's Fast Track proposal.
- **Civil Service Employment Discrimination Hearing:** On Sept. 24, the House Government Reform Subcommittee on Civil Service conducted a hearing on Forest Service employment discrimination issues.
- **Research Hearing:** On Sept. 25, the House Agriculture Subcommittee on Forestry, Resource Conservation, and Research will mark up legislation that would reauthorize the research programs of the 1996 farm bill.
- **Oversight On Wildland Fire Management:** On Sept. 30, Secretary Glickman will testify at a hearing of the House Resources Committee on wildlife management.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

Sept. 28-29 — 1890s Task Force meeting, Langston University Centennial, USDA research center groundbreaking, Langston, OK.

Oct. 3 — Climate change event, Centerville, IA.

Oct. 9 — Meeting with Canadian Minister of Agriculture Lyle Vanclief, Ottawa.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

Oct. 3 — Climate change event, Centerville, IA.

Oct. 10-16 — Lead USDA delegation to Inter-American Board of Agriculture meeting, Santiago, Chile.

VI. SUB-CABINET SCHEDULE

Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins:

Sept. 28 -- U.S. Conference of City Human Services, Washington, DC.

Oct. 7 -- American Association of Food Stamp Directors, San Antonio, TX.

Under Secretary for Food Safety Catherine Woteki:

Oct. 9 -- National Broiler Council, Washington, DC.

Oct. 21 -- Virginia Tech., Blacksburg, VA.

Under Secretary for Natural Resources and Environment Jim Lyons:

Sept. 26 -- Public Lands Council, Bozeman, MT.

Sept. 30 -- Western Governors Association conference, Jackson, WY.

Oct. 7 -- Northeast Conference on Urban Soils, New York, NY.

Under Secretary for Rural Development Jill Long Thompson:

Sept. 25 -- American Community Gardening Association, Indianapolis, IN.

Oct. 3 -- National Congress for Community Economic Development, Memphis, TN.

Oct. 8 -- Association of Missouri Electric Cooperatives and groundbreaking of Perryville Women's Crisis Center, Jefferson City and Perryville, MO.

Oct. 28 -- Enterprise Corporation of the Delta, Little Rock, AR.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

Oct. 1 -- Animal and Plant Health Inspection Service Golden Hammer Award, Center for Ag Biotechnology, University of Maryland.

Oct. 20 -- North American Plant Protection Organization, Seattle, WA.

Chief Information Officer Anne Reed:

Oct. 2-4 -- Visit Florida USDA State Directors and attend Gartner Group forum, Orlando, FL.

Oct. 6-7 -- Visit Virginia USDA State Directors and serve as panelist at Interagency Advisory Council Executive Leadership Conference, Richmond, VA.

Nov. 5-7 -- Agriculture-CIO Summit, St. Louis, MO.

VII. PRESS/MEDIA INQUIRIES

- *Fortune Magazine* interviewed Under Secretary for Food Safety Catherine Woteki and Food Safety and Inspection Service Administrator Thomas Billy on Sept. 17 about the recent recall of Hudson Foods, Inc. product for contamination with *E. coli* O157:H7.
- *NBC* is interested in filming the road construction being conducted as purchaser credit for a timber sale on the Arapaho and Roosevelt National Forest in Colorado.
- During the week of Sept. 21, *National Public Radio* will interview personnel from the Grand Mesa, Uncompahgre, and Gunnison National Forest in Colorado about the Killdeer timber sale. The reporter is also interested in a story on forest road policy.
- *Wildland Firefighter* magazine is working on a feature article on the August 1995 Long Island, NY fire and has interviewed state and federal firefighters and support personnel.

VIII. FOIA REQUESTS

- Greenpeace requested a copy of the completed test results of the cooperative dioxin testing of food by USDA, EPA, and FDA.

IX. WEEKEND CONTACT

Greg Frazier

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October 1, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of September 29, 1997

I. KEY DEPARTMENT NEWS

- **Korea Finds *E. coli* O157:H7 in Nebraska Beef:** Last week, Korean officials announced that they found *E. coli* O157:H7 in boneless boxed beef originating from an IBP, Inc., plant in Dakota City, Nebraska. On September 30, Secretary Glickman met with South Korea's ambassador to discuss their claims, and is sending a team of experts to South Korea.
- **Plant Tests Positive for *E. coli* O157:H7:** Ground beef produced by Beef America, Norfolk, NE, tested positive for *E. coli* O157:H7 as part of the routine USDA sampling program. USDA officials are continuing their investigation.
- **Civil Rights Update:** Secretary Glickman spoke at the centennial celebration of Langston University, a USDA 1890s land grant institution, in Langston, Oklahoma, September 29.
- A USDA National Cultural Resources Specialist (CRS) will attend an interagency workshop on Traditional Native American Issues on September 29 and 30, in Rapid City, SD.
- As of September 30, USDA teams have completed work on 50 of the 92 recommendations, or 54 percent, from the Secretary's Civil Rights Action Team Report, issued last February.

- **Hazardous Waste Cleanup to Begin:** The first phase clean up of 300 tons of mining waste will begin soon on the Mt. Baker-Snoqualmie National Forest (WA). Atlantic Richfield Company will remove the material, containing arsenic, copper, lead, zinc, cadmium and antimony, which is now located about 3 miles from the town of Skykomish in King County. The removal is the result of a unilateral clean up order from Secretary Dan Glickman, the first clean up order issued under the executive order signed by the President last year.
- **Secretary Glickman Announces Guaranteed Loan to MA Food Bank:** USDA made a \$990,000 loan guarantee to the Worcester County, MA, Food Bank on September 19, 1997, to assist in the acquisition of a warehouse to serve as a food handling and distribution center, with office and meeting space which can be used to meet with partner organizations and to conduct nutrition education programs.
- **20th Anniversary of the Food Stamp Act Celebrated:** On October 1, Secretary Glickman held a reception to celebrate the 20th Anniversary of the signing of the Food Stamp Act of 1977, significant because, as a result of that law, for the first time recipients did not have to pay for food stamps.
- **Medfly Update:** As of September 30, 5 adult medflies and 4 larvae have been found in Los Angeles County in Walnut Park, CA. Trapping and the release of sterile flies has begun.
- On September 24, Agriculture Secretary Dan Glickman signed a Declaration of Extraordinary Emergency, enabling USDA officials to complete eradication measures against the Medfly outbreak in Florida. USDA's action was necessitated by a state court ruling that the State of Florida had not followed proper procedures under its emergency Medfly regulations and was enjoined from spraying operations and dispersal of sterile fruit flies.
- **IBP, Inc., Dakota City, NE:** On September 25, USDA's Chief Administrative Law Judge ruled against USDA's complaint that IBP had engaged in unfair, unjustly discriminatory, or deceptive practices in violation of the Packers and Stockyards Act (Act). The complaint alleged that IBP had given an undue or unreasonable preference to a group of Kansas feedlots by entering into an exclusive agreement with them whereby IBP would guarantee them a price but would not extend the same treatment to other sellers.
- **King Royal Circus:** On October 6, USDA will begin an administrative hearing concerning alleged violations of the Animal Welfare Act by King Royal Circus for the death of an elephant found in a poorly ventilated trailer in Albuquerque, New Mexico. The hearing will last the entire week, and will be heavily attended by animal rights activists and the press.

- **Dairy Summit:** On September 16, 42 States were represented at a dairy summit in Kansas City at which the group endorsed a plan to increase the minimum federal price for milk to \$13.50 per hundred weight.
- **Dairy Exports Update:** From September 18-24, USDA approved subsidies facilitating the export of 1537 metric tons of dairy products to Latin American and African destinations.
- **Commodity Markets in Review:** Wheat prices fell last week on favorable conditions in the Southern Plains and increased competition from Australia. Corn prices continued to slide on harvest pressure and lagging export sales. Soybean prices fell from harvest pressure, despite robust export demand and crush figures. Cattle prices fell as wholesale beef prices declined. Hog prices fell below \$50 per hundredweight, as pork supplies continue to increase. Burgeoning meat supplies are putting pressure on broilers, which fell below 60 cents per pound. Cheese prices were unchanged. Butter prices rose sharply, on the basis of low stocks and impending holiday demand.

Average prices for the week ending September 26, 1997

Commodity		Weekly price	Change from a week ago	Change from a year ago
Wheat	\$/bu	3.72	-0.03	-0.99
Corn	\$/bu	2.53	-0.01	-0.76
Soybeans	\$/bu	6.52	-0.33	-1.48
Rice	\$/cwt	9.50	-0.38	-1.00
Cotton	¢/lb	71.01	-0.01	-3.96
Steers	\$/cwt	65.86	-0.64	-5.53
Hogs	\$/cwt	49.45	-2.30	-7.30
Broilers	¢/lb	59.68	-0.93	-4.71
Cheese	\$/lb	1.39	0.00	-0.30
Butter	\$/lb	1.20	+0.13	-0.25
Milk	\$/cwt	12.67	+0.08	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Climate Change Event In Iowa:** Secretary Glickman will participate in an event with Senator Harkin in Chariton Valley, Iowa on October 3. The event will publicize the benefits of using biomass to make electric power, thus providing farmers with a new market opportunity. Chariton Valley is the site of a project awarded under the joint USDA-Department of Energy Biomass Power for Rural Development solicitation. This project demonstrates the use of switch grass for power generation.
- **Welfare to Work Initiative:** USDA has reached 90 percent of its welfare-to-work hiring commitments, having hired 90 recipients as of September 30.
- **State-Funded Food Stamp Program for Aliens Update:** This week, USDA approved plans from Maryland and Florida so they can implement State-funded nutrition programs that utilize food stamps, and is still working with California on its plan.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Agriculture Appropriations:** Consideration of the Agriculture Appropriations Conference Report is on hold pending passage of the FDA reauthorization bill.
- **Interior Appropriations:** House and Senate Appropriations Committee staff met last week to attempt to work out differences between the House and Senate Interior Appropriations bills.
- **Nominations:** The Senate agriculture committee will hold a hearing on October 7 on the nomination of Sally Thompson, former Kansas State Treasurer, to serve as USDA's Chief Financial Officer.
- **Forest Recovery and Protection:** On October 7, the House Agriculture Committee will hold a hearing on the Forest Recovery and Protection Act of 1997; Secretary Dan Glickman will testify on behalf of USDA.
- **Food Safety:** On October 8, the Senate Agriculture Committee will hold a hearing to examine food safety issues and recent food safety legislation proposed by USDA; Secretary Dan Glickman will testify on behalf of USDA.
- **Economic Outlook:** On October 9, the House Agriculture Subcommittee on General Farm Commodities will hold a hearing to review the agricultural economic outlook.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- Oct. 3 -- Climate change event, Centerville, IA
- Oct. 6 -- White House Climate Change Conference
- Oct. 7 -- House Agriculture Committee, Forest Recovery and Protection Act of 1997
- Oct. 8 -- Senate Agriculture Committee, Food Safety Enforcement Enhancement Act of 1997

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- Oct.
6-10 -- Lead USDA delegation to Inter-American Board of Agriculture meeting, Santiago, Chile

VI. SUB-CABINET SCHEDULE

Acting Assistant Secretary for Administration Pearlle S. Reed:

- Oct. 7 -- Speech / NRCS Multi-State Civil Rights Meeting, Western Region, Seattle, Washington

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- Oct. 14-- Tour Center for Elephant Conservation, Polk City, Florida
- Oct. 15-16 -- K-9 Graduation, Orlando, Florida
- Oct. 20-- 21st North American Plant Protection Organization Annual Meeting, Seattle, Washington
- Oct. 25-- Pumpkinfest, Chicago, Illinois
- Oct. 29-31-- Hawaii Farm Bureau, Honolulu, Hawaii

Under Secretary for Research, Education and Economics I. Miley Gonzalez:

- Oct. 3 -- Eleventh Biennial Research Symposium, San Antonio, TX.

Under Secretary for Farm and Foreign Agricultural Services August Schumacher, Jr.:

- Oct. 8-16 -- Travel to Netherlands, Germany and Italy.

Under Secretary for Food, Nutrition, and Consumer Services Shirley R. Watkins:

- Oct. 7 -- speaker, American Association of Food Stamp Directors Annual Conference, San Antonio, TX
- Oct. 16 -- speaker, National Association of Farmers' Market Nutrition Programs, Raleigh, NC

Under Secretary for Rural Development Jill Long Thompson:

- Oct. 3 -- Keynote Speaker, National Congress for Community Economic Development meeting, Memphis, TN
- Oct. 8 -- Address to Assoc. Of MO Electric Cooperatives Annual Meeting, Jefferson City, MO; groundbreaking, Perryville Women's Crisis Center, Perryville, MO

Under Secretary for Natural Resources and Environment James H. Lyons:

- Oct. 7 -- Northeast Conference on Urban Soils, New York City, NY

Under Secretary for Food Safety Catherine Woteki:

- Oct. 1 -- Institute of Food Technologists' Food Safety Meeting, Chicago

VII. MEDIA INQUIRIES AND AMPLIFICATION

- USDA's first National Food Recovery and Gleaning Summit received extensive media coverage, including: a Cable News Network interview of Secretary Glickman; a *New York Times* letter-to-the-editor from Secretary Glickman; articles in the *Federal Times*, and *The Washington Post*; and favorable editorials in the *Boston Globe* and the *Philadelphia Inquirer*. USDA's 1-800-GLEAN-IT line received over 500 inquiries in direct response to the Summit.
- ABC affiliate Channel 2, the *Milwaukee Journal Sentinel*, the *Milwaukee Commerce Journal*, and the *Milwaukee Courier* covered and ran stories on Under Secretary Watkins' speech before the 11th Annual Conference on the Child and Adult Care Food Program Sponsors Association, in which she released the new FCS study, "Early Childhood and Child Care Study."
- On September 30, NBC reporter Betty Rollins interviewed by phone Eileen Kennedy, Executive Director of USDA's Center for Nutrition Policy and Promotion, for an upcoming special segment entitled, "How Americans Eat." The story will focus on American eating patterns, with an emphasis on the Dietary Guidelines and the Food Guide Pyramid.
- A producer from the "Animal Planet" at the *Discovery Network* will be including the Beagle Brigade in a program about breeds of dogs featuring beagles. (9/24)
- A producer from *Arts & Entertainment* network is including the Beagle Brigade in a documentary on dogs to air next year. (9/24)
- **Amplification of fast track, amplification of the Vice President's trip:** The Secretary traveled to Egypt and Russia, September 18-24. In Egypt, in addition to his meetings with government officials to discuss agricultural and trade matters, the Secretary

delivered a speech at a luncheon sponsored by the U.S. Wheat Associates, during which he mentioned fast track legislation. Media covering the Secretary included Reuters, Associated Press, Bridge News, and Egyptian media. In Moscow, the Secretary joined Vice President Al Gore for the ninth biannual meeting of the U.S.-Russian Joint Commission on Economic and Technological Cooperation (The Gore-Chernomyrdin Commission); the Secretary also co-chaired the commission's Agri-business Committee meeting. White House and Vice Presidential media covered the Moscow leg of the trip.

- **Amplification of fast track, food recovery:** Secretary Glickman joined Rep. Richard Gephardt September 25 in a radio interview with St. Louis station KMOX that focused on food recovery and fast track.
- **Amplification of the environment, conservation (plus reinventing government, budget, civil rights) :** Deputy Secretary Richard Rominger addressed the Business Alliance council of the National Association of Conservation Districts. His remarks focused on the Administration's commitment to preserving the nation's natural resources through conservation and sustainable development. He also discussed the National Commission on Small Farms, USDA reorganization, field office restructuring, administrative convergence, and budget issues.

VIII. FOIA REQUESTS

- California Environmental Protection Agency requested descriptions of spraying activities of pesticides.
- Public Information Forum requested information on USDA occupational services.
- Zeeland Farm Services, Inc., requested information on a USDA compliance agreement with Archer Daniels Midland.
- The National Security Archive requested all USDA information on outstanding loans and losses to the United States.

IX. WEEKEND CONTACT

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October 8, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for the Week of October 6, 1997

I. KEY DEPARTMENT NEWS

- **Beef America Issues Ground Beef Recall:** On Oct. 3, USDA requested Beef America of Norfolk, NE to conduct a nationwide recall of 443,656 pounds of fresh ground beef produced August 21-23 because the product may be contaminated with *E. coli* O157:H7.
- **USDA Presses South Korea Officials On Claims Of E.Coli Discovery:** Secretary Glickman met with the Ambassador of South Korea Sept. 30 to discuss South Korea's request for the suspension of the export license of an IBP plant in Dakota City, NE. The Secretary dispatched a team to South Korea to investigate the incident.
- **Civil Rights Update:** USDA has completed work on 56 of the 92 recommendations, or 60 percent, from Secretary Glickman's Civil Rights Action Team report, which was released last February.
- **USDA Protects Tyrannosaurus Rex Fossil:** Possibly the largest fossilized Tyrannosaurus Rex ever found has been uncovered on a Montana farm, now in USDA's ownership after its former owner defaulted on a USDA loan and forfeited the farm to the Department. In consultation with Notre Dame researchers and state officials, and pursuant to the Antiquities Act of 1906, USDA officials have authorized further excavations of the site and removal of the fossils.
- **World Food Day Farmers Markets To Be Held:** In connection with the Oct. 16 World Food Day, USDA is organizing three special farmers markets to promote food recovery, direct marketing, and increased consumption of produce; the markets will be held at USDA, the Department of Justice, and the Department of State.

- **USDA Plans For National School Lunch Week:** For this year's celebration of National School Lunch Week during the week of Oct. 12, USDA is encouraging all its employees, as well as individuals from other federal agencies, to join schoolchildren and their families in a school lunch.
- **Studies Confirm Link Between BSE And Variant CJD:** On Sept. 29, United Kingdom scientists reportedly had confirmed the link between bovine spongiform encephalopathy (BSE), the new variant of the Creutz-Jakob Disease (nvCJD), and the consumption of infected beef. The report suggests that, although formal proof of the link cannot be provided, the combined weight of epidemiological evidence, experimental transmission to other animals, and molecular research all point to a linkage between BSE and nvCJD.
- **Crop Insurance Board Considers New Proposals:** On Oct. 6, the Federal Crop Insurance Corporation board of directors expanded the Crop Revenue Coverage (CRC) program for the 1998-99 crop years for coarse grains and cotton into additional states. CRC is a revenue-based insurance product which guarantees producers coverage on both yield and price in the event of loss and has been a very popular risk management choice by farmers since its inception as a pilot program in 1996.
- **Wildlife Habitat Management Institute To Be Dedicated:** On Oct. 15, Senator Cochran will dedicate USDA's Wildlife Habitat Management Institute in Madison, MS.
- **USDA Sets Next CRP Sign-Up:** The next Conservation Reserve Program (CRP) general sign-up will be held Oct. 14-Nov. 14, providing landowners an opportunity to participate in a cost-effective, voluntary program to improve their land, water, and wildlife resources.
- **Land Acquisition May Assist In Bison Management:** The Forest Service, Rocky Mountain Elk Foundation, and the Church Universal and Triumphant, Inc. (CUT), have negotiated a proposed land adjustment that would transfer parts of the 12,000-acre Royal Teton Ranch owned by CUT to the Forest Service. The acquisition would allow the Forest Service to protect key winter range and migration corridors for several species of wildlife that move across the Yellowstone National Park boundary in Montana.
- **Trade Developments:** On Oct. 1, USDA authorized credit guarantees for sales of U.S. agricultural commodities of \$295 million for Turkey, \$250 million for Indonesia, \$110 million for Central America, \$100 million for Morocco, \$35 million for East Africa, and \$20 million for India.

From Sept. 25-Oct. 1, USDA approved a total of 6,347 metric tons of various dairy products to three different regions.

- **Agricultural Markets in Review:** For the week ending Oct. 3, wheat prices fell as export demand continued weak and ideal weather conditions for the 1998 crop persisted. Corn prices dropped on harvest pressure, and soybean prices fell. Cattle prices rose slightly in dull trading, despite heavy supplies overhanging the market. Hog prices fell, as large pork supplies continue to weigh on the market. Cheese prices were unchanged, but butter continued to receive a modest boost from USDA dairy export activities.

Average prices for the week ending October 3 are:

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.60	-0.12	-1.08
Corn \$/bu	2.46	-0.07	-0.51
Soybeans \$/bu	6.23	-0.29	-1.13
Rice \$/cwt	9.50	0.00	-0.26
Cotton ¢/lb	69.60	-1.41	-5.17
Steers \$/cwt	66.18	+0.21	-5.63
Hogs \$/cwt	49.10	-0.35	-9.20
Broilers ¢/lb	59.06	-0.62	-5.64
Cheese \$/lb	1.39	0.00	-0.30
Butter \$/lb	1.21	+0.01	-0.24
Milk \$/cwt	12.74	+0.13	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **President's Initiative On Race Update:** USDA has completed work on 56 of the 92 recommendations, or 60 percent, from Secretary Glickman's Civil Rights Action Team report, which was released last February.

USDA and the Kennedy School of Government are developing a case study of the Department's Civil Rights Action Team and Civil Rights Implementation Team process.

On Sept. 29, the Secretary spoke at the centennial celebration of Langston University, a USDA 1890s land grant institution, in Langston, OK.

On Oct. 27, the Secretary will address the Hispanic Association of Colleges conference in San Antonio, TX.

On Oct. 28, the Secretary will address the Intertribal Agriculture Council conference in Chandler, AZ.

- **Welfare Reform Update:** During the period Sept. 26-Oct. 3, USDA approved Maine's request for an exemption for one town from the provisions of the welfare reform bill that limits food stamp program participation of able-bodied adults without dependents between the ages of 18 and 50 to three months in any 36-month period unless the affected individuals are employed for an average of 20 hours per week or are participating in a work program.

USDA is currently reviewing several other requests from Maine to exempt the homeless, migrants, those with insufficient job skills, and those with language barriers, based on insufficient jobs; a request from Minnesota to add an additional county to its currently approved waiver; and requests for extensions for already approved waivers from Texas and Washington.

- **New Food Safety Initiative Update:** USDA, HHS, EPA, and the Department of Labor are coordinating the new food safety initiative that the President announced Oct. 2. The "Initiative to Ensure the Safety of Domestic and Imported Foods" would strengthen the safety of all foods -- including imports -- from farm to table. The new initiative builds on the President's FY98 food safety initiative and would develop effective interventions that can be used to prevent foodborne hazards from farm to table and provide this information to farmers, processors, and consumers.
- **Enterprise Community Update:** On Sept. 29, East Prairie, MO held a groundbreaking ceremony to celebrate the first phase of construction on the St. Johns Bayou and New Madrid Floodway Project. As part of the Enterprise Community designation, East Prairie has pursued this project to control local flooding and improve conditions for economic development.
- **Welfare-To-Work Update:** USDA has 103 welfare-to-work hires as of Sept. 30.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Food Safety Legislation:** On Oct. 8, Secretary Glickman testified before the Senate Agriculture Committee on the Senate version of the Food Safety Enforcement bill, introduced by Senators Daschle, Harkin, Johnson, and Leahy.

- **Appropriations Update:** The House passed the Agriculture Appropriations Conference Report on Oct. 6 by a vote of 399 to 18. The Senate is likely to take up the bill later this week.

Administration officials are continuing to work with congressional leadership to resolve differences regarding the land acquisition provisions in the Interior appropriations conference report.

- **Fast Track Update:** Secretary Glickman continues to contact numerous Members to urge them to support the President's position on fast track trading authority.
- **Civil Rights Legislation:** The House Agriculture Committee plans to hold a hearing on Oct. 23 to discuss Chairman Smith's legislation to reorganize USDA as well as a bill introduced by Rep. Clayton in July which would also implement certain recommendations from the Department's Civil Rights Action Team.
- **Nomination Update:** The Senate Agriculture Committee held a hearing Oct. 7 regarding the nomination of Sally Thompson to serve as the Department's Chief Financial Officer.
- **Forest Health Update:** On Oct. 7, Secretary Glickman testified before the House Agriculture Committee on Chairman Smith's forest health legislation.

IV. SECRETARY'S SCHEDULE

Secretary Glickman:

- Oct. 10 — personal leave.
- Oct. 14 — Small Farms Commission meeting, Washington, DC.
- Oct. 16 — National Farmer's Market event, Washington, DC.
- Oct. 17 — personal leave.

V. DEPUTY SECRETARY'S SCHEDULE

Deputy Secretary Rominger:

- Oct. 10-16 — Lead USDA delegation, Inter-American Board of Agriculture, Santiago, Chile.

VI. SUB-CABINET SCHEDULE

Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins:

- Oct. 16 — National Association of Farmers' Market Nutrition Programs, Raleigh, NC.
- Oct. 23 — California Child Care Food Program, San Francisco, CA.
- Oct. 25 — Gleaning event with Rep. Clayton, Fayetteville, NC.

Under Secretary for Food Safety Catherine Woteki:

Oct. 9 -- National Broiler Council meeting, Washington, DC.

Oct. 14 -- Industry site visits and meeting with Sen. Kerry and Gov. Nelson, Nebraska.

Oct. 21 -- Virginia Tech., Blacksburg, VA.

Oct. 29 -- American Dietetic Association, Boston, MA.

Under Secretary for Natural Resources and Environment Jim Lyons:

Oct. 15 -- Wildlife Habitat Institute ribbon cutting ceremony, Madison, MS.

Under Secretary for Research, Education, and Economics Miley Gonzalez:

Oct. 9 -- Forum on Education in Agriculture in Urban Schools, Chicago, IL.

Under Secretary for Rural Development Jill Long Thompson:

Oct. 28 -- Enterprise Corporation of the Delta meeting, Little Rock, AR.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

Oct. 14 -- Tour Center for Elephant Conservation, Polk City, FL.

Oct. 15-16, K-9 Graduation, Orlando, FL.

Oct. 25 -- Pumpkinfest, Chicago, IL.

VII. AMPLIFICATION AND MEDIA INQUIRIES

Amplification

- **Climate Change:** Secretary Glickman joined Senator Harkin in Centerville, IA on Oct. 3 to amplify the President's initiative on climate change. The Secretary toured a major biomass energy project, along with Senator Harkin, Rep. Boswell, and other federal and state officials. Media included *Iowa Farmer Today*, *Iowa Farm Bureau Spokesman*, KBIZ radio, the broadcast services of the Iowa Farm Bureau Federation, *Wallaces Farmer*, KTUD (Ottumwa), KCOG/KMGO (Centerville), Associated Press, *Daily Iowegian*, *Successful Farming*, and *Des Moines Register*. In addition, USDA was the host for a satellite downlink site for the White House Conference on Climate Change.

Media Inquiries

- Korea's report of *E. coli* in U.S. beef prompted several media inquiries, including Seoul Broadcasting System, the *Financial Times* of London's Chicago bureau, *Omaha World Herald*, and Bloomberg Wire Service.
- The week of Sept. 29, USDA provided additional information to a *Time* reporter for an article on tobacco and the cost of the tobacco crop insurance program.

- A researcher from USDA's Foreign Disease Research Unit in Frederick, MD was interviewed by the *Boston Globe* for an article in the Health and Science Section explaining how disease outbreaks among the world's staple food crops could be just as dangerous to human populations as the bubonic plague.
- *NOVA*, the PBS series, visited the Beltsville Agricultural Research Center for a scheduled interview with a USDA expert on bovine spongiform encephalopathy (BSE).
- *New York Times* requested an interview with a USDA official on the Cotton Research and Promotion Program and the new organic standards rule.
- *CNN Financial* requested information on the proposed standards for organic products.
- *Des Moines Register* requested information on the Toney Animal Welfare Act case. The information was provided and the reporter was alerted to the fact that the Toney fine is the largest USDA has ever required to be paid.
- *CNN* requested information on USDA's response to weather caused by El Nino.
- *CNN* requested the number of welfare-to-work employees hired by USDA.

VIII. FOIA REQUESTS

- The Government Accountability Project requested a copy of the advanced meat recovery system samples submitted to a USDA Food Safety and Inspection Service laboratory to be analyzed for the presence of spinal tissue.
- *Cox Newspapers* requested copies of all letters, memos, and telephone logs sent or received by the office of former Food Safety and Inspection Service Administrator Michael Taylor from Oct. 11-19, 1994 from Wendy's International President Gordon Teter.
- *ABC* requested a copy of a USDA planning memorandum to the White House.

IX. WEEKEND CONTACT

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October 15, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of October 13, 1997

I. KEY DEPARTMENT NEWS

- **USDA To Commemorate Farmers' Market Week And World Food Day:** On Oct. 16, Secretary Glickman will commemorate National Farmers Market Week and World Food Day with a special farmers' market on the Mall in Washington, DC. During the event, the Secretary will announce \$2.5 million in grants to help communities in 16 states develop community food projects which address local food, farm, and nutrition issues. The Secretary will also announce that a discussion paper on possible international elements of the U.S. food security blueprint will be released to the public at a Congressional Hunger Center forum focusing on U.S. food security issues.
- **USDA To Name "Tipper" Lily In Honor Of Mrs. Gore:** On Oct. 16, Secretary and Mrs. Glickman will join Mrs. Gore at a National Arboretum ceremony to name a new South African lily hybrid in honor of Mrs. Gore, in appreciation of the Vice President's environmental focus and efforts to foster trade relations between America and South Africa. The addition of the "Tipper" lily to the range of flowering potted plants is a promise of more new indigenous South African plants to become available on the market.
- **Hatamiya To Be Named Foreign Agricultural Service Administrator:** On Oct. 16, Secretary Glickman will announce the appointment of Lon Hatamiya as Administrator of the Foreign Agricultural Service.
- **Civil Rights Update:** On Oct. 8-10, USDA's Environmental Justice Coordinator and African American Program Manager attended a Community Field Day in North Lilbourn, MO to address rural development issues and to develop a work plan to assist the community with numerous rural development issues, including housing, water, erosion, and environmental justice.

On Oct. 14-15, the National Commission on Small Farms met to review its draft report and recommendations, which will advise Secretary Glickman on a future strategy for small farms.

On Oct. 19-21, USDA's Southern region Forest Service civil rights staff will sponsor Summit of the South in Richmond, VA. The Summit, targeting minority landowners, is designed to increase program awareness and participation for minority farmers and woodland owners. Nearly 200 people have registered for the Summit, including 74 wood lot owners and farmers from several Southern states.

On Oct. 23, USDA's Office of Civil Rights will hold a workshop to explain the Department's new automated system to track complaints and disseminate information about civil rights complaints.

- **USDA Food Safety Team Returns From Korea:** A USDA team returned from the Republic of South Korea, where they were investigating Korea's formal request that USDA remove the export eligibility of a Dakota City, NE, IBP plant.
- **Food Stamp Sweep Underway:** USDA has launched an investigation of Philadelphia, PA, area food stamp retailers. To date, of the 154 stores that have been investigated, 83 have committed food stamp program violations, including 23 which have trafficked food stamps for cash.
- **Seniors Misled About Food Stamps:** A new book, Free Stuff for Seniors, implies that all seniors are entitled to \$800 in food stamps. USDA has notified the author that this information is misleading: most elderly people are eligible only for a relatively small food stamp allotment due to additional income, such as Supplemental Security Income or Social Security.
- **Forest Biomass Workshop To Be Held:** On Oct. 28-29, USDA's Forest Service will sponsor a work-shop on "Forest Health, Resource Availability, and Wood Products Demand: How Forest Biomass Use Can Help Address These National Issues," at the Forest Products Laboratory in Madison, WI to demonstrate the importance of forest biomass utilization to forest health, natural resource conservation, rural economies, and mitigation of global climate change.
- **Methyl Bromide Economic Analysis:** In cooperation with the National Center for Food and Agricultural Policy and the University of Florida, USDA has started two new studies that analyze the economic effects of the methyl bromide phase out and how to address the needs of growers in responding to the phase out.

- **El Nino Work Group Established:** USDA officials have joined the El Nino Working Group, an interagency group chaired by the Agency for International Development to anticipate and respond to drought and hunger in southern Africa which might be triggered by the unusual El Nino weather patterns.
- **New Report Highlights Fast Track:** The November *Agricultural Outlook* will feature a special article on fast-track trade negotiating authority along with several trade-related articles covering World Trade Organization accession for the Newly Independent States, import activities of state trading enterprises, and the Southeast Asian market for U.S. agricultural products.
- **Working Group On Animal Agriculture And Environment:** USDA has established a working group on animal agriculture and the environment that will develop an inventory of what USDA has underway on livestock manures and the environment and the emerging and long-term problems and challenges focusing on education, technical assistance, financial assistance, economic/social impacts, land application issues, food safety and public health, water quality impacts, air quality impacts, general research, grazing lands impacts, industry concentration, animal well-being, other non-USDA agencies' activities, and waste utilization.
- **National School Lunch Week Celebrated:** USDA Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins marked National School Lunch Week by joining students at a Columbia, MD school for breakfast and holding issues roundtables in Baltimore, MD and Raleigh, NC on children's nutrition and nutrition education.
- **U.S. Rice Industry Agrees On Plan For Exports To EU:** On Oct. 6, the rice industry finally reached a unified position on allocation of the tariff-rate quotas for U.S. rice exported to the European Union (EU), which will open the EU market to the U.S. rice industry under terms of the 1995 U.S.-EU agreement and will provide the U.S. industry with about \$15 million annually in quota rents.
- **Recreation Fee Demonstration Program Gains 32 Projects:** USDA's Forest Service plans to add 32 new projects to its recreation fee demonstration program by which recreation projects collect fees that are then reinvested locally for maintenance and improvements. To date, the Forest Service has collected \$5.435 million to reduce the backlog of maintenance, improve and expand interpretive programs, upgrade recreational facilities, reduce vandalism, and enhance security and protection of resources.
- **Rural Housing Project Wins AFFIRM Leadership Award:** The Association of Federal Information Resource Management (AFFIRM), a nonprofit organization of federal and private-sector information resource management professionals, has chosen USDA's Rural Housing Service Dedicated Loan Origination and Servicing (DLOS) System team for its annual leadership award.

- **Rail Bottlenecks Affect Farmers:** USDA will participate in a hearing on Union Pacific and Southern Pacific service problems on Oct. 27. Particularly acute in the Southwest, rail transportation problems are slowing shipments and compounding storage problems.
- **Barge Delays:** On top of the railcar shortage problems, there are now delays in barge traffic down the Mississippi River following the closure of the last lock on the river for export grain to transit, which was closed August 14 for repairs and will reopen later this month.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **D.C. Initiative Update:** USDA Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins has begun a new outreach program, "Food and Consumer Service-DC Initiative to Reach Out to the African-American Community," meeting with 20 community leaders, primarily clergy, on hunger in the DC area, educating local minority populations on the food and nutrition services available to them, and improving USDA's outreach efforts to hard-to-reach populations.

On Oct. 22, USDA employees will join members of Young's Memorial Church, Barry Farm Tenant Association, Urban Forest Council, and District of Columbia employees at the Barry Farm Housing Complex to plant and care for several trees and on Oct. 25 they will join Mayor Marion Barry, Gen. Colin Powell, Points of Light Foundation, and various other organizations to plant several trees, shrubs, and other perennials at the Randall Recreation Center.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Appropriations Update:** USDA expects that the conference report on the FY98 Interior and Related Agencies Appropriations Bill will be filed shortly after Congress returns from recess, clearing the way for final floor action.
- **Congressional Hearings:** On Oct. 23, the House Agriculture Committee may hold a hearing on accountability and civil rights at USDA.

On Oct. 23, the House Resources Committee will hold a hearing on recreational residence user fees on National Forest System lands, focusing on the recently announced increase in fees that was implemented to reflect current market values.

IV. SECRETARY'S SCHEDULE

- On Oct. 16, Secretary Glickman will participate in a National Farmer's Market event on World Food Day, Washington, DC.

- On Oct. 17, the Secretary will be on personal leave.
- On Oct. 20, the Secretary will join the Vice President to announce the Maryland Conservation Reserve Enhancement Program in Centerville, MD.
- On Oct. 21, the Secretary will join the Vice President to announce Telemedicine Distance Learning grants, New Orleans, LA.
- On Oct. 23, the Secretary will participate in the White House Conference on Child Care, Washington, DC.
- On Oct. 24, the Secretary will participate in a Fight Bac food safety campaign announcement with Secretary Shalala, Washington, DC.

V. DEPUTY SECRETARY'S SCHEDULE

- On Oct. 17-18, Deputy Secretary Rominger will speak at the Tri Valley Growers meeting, Sacramento, CA.
- On Oct. 21-22, the Deputy Secretary will participate in the USDA Natural Resources Conservation Service annual meeting, Colorado Springs, CO.

VI. SUB-CABINET SCHEDULE

Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins:

- Oct. 16 National Association of Farmers' Market Nutrition Programs, Raleigh, NC.
- Oct. 23 California Child Care Food Program, San Francisco, CA.

Under Secretary for Food Safety Catherine Woteki:

- Oct. 17 Dedication of Food Safety and Inspection Service Financial Processing Center, Des Moines, IA.
- Oct. 20 Codex Committee on Food Hygiene, Washington, DC.

Under Secretary for Rural Development Jill Long Thompson:

- Oct. 21 Telemedicine Distance Learning grant announcement with Vice President, New Orleans, LA.

Assistant Secretary for Marketing and Regulatory Programs Michael Dunn:

- Oct. 16-17 Tour Medfly and Citrus Canker activities, Tampa, FL.

VII. PRESS/MEDIA INQUIRIES

Amplification

- **Food Safety:** On Oct. 8, Secretary Glickman testified before the Senate Agriculture Committee on food safety. On Oct. 7, USDA issued a backgrounder and the Secretary's statement on the introduction of the Food Safety Enforcement Enhancement Act, which he called "another step in the Administration's effort to improve food safety." There was significant media coverage of the Secretary's testimony, including *CNN*, networks, and major print media.

Following the Secretary's testimony Oct. 7 before the House Agriculture Committee on forest health legislation, *Bridge News*, *Reuters*, and other reporters asked the Secretary about the South Korean E.coli problem; the Secretary responded with an update on USDA actions.

Food Safety Administrator Tom Billy was interviewed Oct. 8 by *CNBC* on food safety.

Media Inquiries

- The Food Safety and Inspection Service handled about 70 calls on topics ranging from Nebraska beef, South Korean situation with IBP, HACCP implementation, irradiation, and proposed recall legislation.
- *Dow Jones* and *Bloomberg News* requested additional information about Chile's decision lifting import restrictions on U.S. wheat.
- *ABC News Online* inquired about USDA's concerns about Union Pacific log jam.
- *The Washington Post* requested an update on the status of the National Organic Standards and interviewed USDA Agricultural Marketing Service Administrator Lon Hatamiya.
- *CNN* requested information on a truck accident in Bridgeport, CT, involving almost 100 puppies in a trailer. Information about the transportation of animals was provided.

VIII. FOIA REQUESTS

- *Food Chemical News* requested a copy of the report titled "USDA Bovine Spongiform Encephalopathy Response Plan."
- The International Center for Technology Assessment requested copies of all letters and other documents involving biotechnology experiments and the slaughter of livestock and transgenic animals for slaughter.

- The *Omaha World Herald* requested copies of inspector schedules and reports completed for Nebraska Beef and Signature Foods located in Nebraska, as well as any reports for generic *E. coli* testing at the facilities.
- Forest Guardians and Patricia Wolff have filed a FOIA lawsuit against USDA's Animal and Plant Health Inspection Service in U.S. District Court in New Mexico, seeking records of activities on wilderness lands administered by the Forest Service in Arizona and New Mexico.
- A D.C. resident requested all correspondence from Senator Dodd to USDA.
- Williams and Connolly requested information on frozen strawberry inspection, school lunch program, commodities, and information relating to bids.

IX. WEEKEND CONTACT

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