

October 22, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of October 20, 1997

I. KEY DEPARTMENT NEWS

- **Vice President Announces Conservation Agreement:** On Oct. 20, Vice President Gore announced the new Conservation Reserve Enhancement Program (CREP) for Maryland, designed to help improve water quality in the Chesapeake Bay that establishes a voluntary \$195 million incentive program, under which the state's landowners may enroll up to 100,000 acres of cropland in the CREP program to restore wetlands and to establish forest and grass buffers between farms and fragile waterways. This is the first-ever state CREP to address local environmental problems of national or regional significance.
- **Distance Learning, Telemedicine Loans And Grants Announced:** On Oct. 21, Vice President Gore joined Secretary Glickman in New Orleans, LA to announce \$10.2 million in rural development loans and grants for distance learning and telemedicine projects, for services in 26 states for more than 1.7 million rural Americans.
- **Food Safety Education Campaign To Be Unveiled:** On Oct. 24, Secretaries Glickman and Shalala will join with national consumer organizations and food industry groups in launching one of the most far-reaching and ambitious public education campaigns ever to focus on safe food handling. Developed by the Partnership for Food Safety Education, a coalition of industry, government, and consumer groups, the campaign will use some new and innovative approaches to teach basic sanitation and food handling steps that will greatly reduce the risk for food-related illness.
- ***E. coli* O157:H7 Sampling Program Yields First Positive In FY98:** On Oct. 16, USDA's testing program for *E. coli* O157:H7 reported its first positive test in the FY98 cycle. The positive sample was found in ground beef imported from an American-owned Canadian plant. The entire shipment, which involves less than 40,000 lbs, is being held in a USDA facility in New Orleans, LA.

- **USDA Provides Firefighting Assistance To Indonesia, Malaysia:** On Oct. 17, a Forest Service fire assessment team and Department of Defense flight crews with three C-130's and one C-141 arrived in Indonesia to assist with fire-fighting in Indonesia and Malaysia.
- **Northwest Pilot Project Assists Cattle Industry:** On Oct. 22, Secretary Glickman and Canada announced implementation of the Northwest Pilot Project, aimed principally at expediting shipments of live cattle from Montana and Washington state to Canada. Under this initiative, Canada will revise its animal health import requirements for live cattle entering from participating U.S. states.
- **Supreme Court To Address National Forest Issues:** On Oct. 20, the Supreme Court granted a petition for a writ of certiorari in Ohio Forestry Association Inc. v. Sierra Club, et al. By accepting this case, the Supreme Court may resolve conflicts among the U.S. Courts of Appeals with respect to the issues of justiciability of Forest Plans and the threshold necessary to justify a decision allowing clearcutting and other types of uneven age management in timber projects on the National Forests.
- **Decision Made On Environmental Analysis For Proposed Military Training Area:** The Kisatchie National Forest (Louisiana) supervisor and the commanding general of U.S. Army Fort Polk have signed a mutual agreement extending the deadline until Oct. 1, 1998 for completing an environmental analysis on the military use of the Kisatchie's Vernon Ranger District. This issue has been highly controversial and has received extensive media and congressional interest.
- **U.S. Takes Larger Share Of Japan's Rice Tender:** On Oct. 15, the Japanese Food Agency tendered for 25,000 tons of rice of which went to U.S. suppliers.
- **Railcar Update:** Logistical problems continue to mount for the UPSP railroad. Rail traffic jams have now backed up from Houston, TX into the North Platte, NE Bailey Yard, the world's largest classification yard, which sorts about 3,000 cars a day. Many country elevators have resorted to more expensive long haul trucking of their grain in order to make room for the new harvest. As ground storage of grain becomes more prevalent in the Midwest, there appears to be no end in sight despite the persistent denials by the UPSP that the problem is not serious and will soon be cleared up.
- **Commodity Markets In Review:** The week ending Oct. 17, wheat prices rose on increased demand from millers and exporters. Corn prices declined, especially late last week, as speculators anticipate increased farmer selling as harvest accelerates. Rice prices continue to be supported by strong export demand. Soybean prices were boosted by record weekly crush and export expansions. Cotton prices rose slightly as heavy rain in the Southeast raised concern about crop damage. Fed cattle prices recovered slightly despite continued weakness in beef prices. Hog prices continue to be pressured by

sluggish export demand, especially to Japan. Broilers are entering a period of seasonal weakness, and continue to be pressured by falling prices of competing meats. Butter prices rose, as some suppliers ration available product. Cheese prices continued firm.

Average prices for week ending Oct. 17

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.83	0.10	-0.92
Corn \$/bu	2.67	0.02	-0.21
Soybeans \$/bu	6.87	0.26	0.06
Rice \$/cwt	9.63	0.13	-0.13
Cotton ¢/lb	69.42	0.10	-1.78
Steers \$/cwt	65.90	0.69	-4.43
Hogs \$/cwt	46.20	-2.35	-9.20
Broilers ¢/lb	58.19	-0.36	-6.13
Cheese \$/lb	1.40	0.00	-0.08
Butter \$/lb	1.29	0.08	0.23
Milk \$/cwt	12.88	+0.04	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Fast Track:** On Oct. 22, Secretary Glickman participated in a briefing for agriculture industry representatives to highlight the need for congressional action on the President's fast track proposal. Later that day, the Secretary joined Members of Congress at a press conference on Capitol Hill.
- **President's Initiative On Race:** Since Jan. 1, USDA has closed 125 complaints involving the delivery of USDA programs and 544 employment discrimination cases.

USDA teams have completed work on 57 of the 92 recommendations, or 62 percent, from the Secretary's February Civil Rights Action Team Report. 18 recommendations are more than 80 percent complete, and should be completed soon.

On Oct. 11, the African American program manager and the deputy chief of staff for Secretary Glickman participated in the Lincoln University Field Day in St. Louis, MO to promote excellence in schools and local communities through educational and recreational activities.

On Oct. 23, the House Agriculture Committee will hold a hearing on the USDA Equity and Accountability Act of 1997.

On Oct. 27-29, the Housing Assistance Council will hold its first training for tribal and colonia organizations on increasing access to USDA rural programs.

On Oct. 27, Secretary Glickman will be the keynote speaker at the Hispanic Association of Colleges and Universities conference, where he will address civil rights.

On Oct. 28, the Secretary will give the keynote address to the Intertribal Agriculture Council in Chandler, AZ on civil rights and making USDA programs more accessible to Native Americans.

- **USDA Contributes To Child Care Conference:** On Oct. 23, Secretary Glickman and the Department of Education will co-host an event being held in conjunction with the White House Child Care Conference.
- **D.C. Initiative:** On Oct. 22, USDA employees will join members of Young's Memorial Church, Barry Farm Tenant Association, Urban Forest Council, and D.C. employees at the Barry Farm Housing complex to plant and care for several trees.

On Oct. 25, USDA officials will join the Points of Light Foundation and General and Mrs. Colin Powell in the national "Make A Difference Day" event at Randall Recreation Center in southeast Washington in planting trees and caring for plants and shrubs.

III. NOTABLE CONGRESSIONAL ACTIVITY

- On Oct. 22, the Senate Energy and Natural Resources Committee marked up a bill to direct the Secretary of Agriculture to conduct 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.
- On Oct. 23, the Forests and Forest Health Subcommittee will hold a hearing on appraisal of recreation residence special use permits at fair market value.

- On Oct. 27, USDA Chief Information Officer Anne Reed will testify before the House Subcommittee on Government Management, Information, and Technology regarding implementation of the Clinger-Cohen Act of 1996 in USDA.
- On Oct. 28, the House Agriculture Subcommittee on Forestry, Resource Conservation, and Research will mark up the Forest Recovery Protection Act.

IV. SECRETARY'S SCHEDULE

- On Oct. 23, Secretary Glickman will participate in the White House Conference on Child Care in Washington, DC.
- On Oct. 24, the Secretary will participate in a major, joint government-private sector food safety campaign announcement with Secretary Shalala in Washington, DC.
- 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.
- On Oct. 29, the Secretary will participate in Tahoe Summit follow-up events in South Lake Tahoe, CA.

V. DEPUTY SECRETARY'S SCHEDULE

- On Nov. 6, Deputy Secretary Rominger will address the California Association of Local Agency Formation Commissions conference in Squaw Valley, CA.

VI. SUB-CABINET SCHEDULE

- On Oct. 24, Under Secretary for Research, Education, and Economics Miley Gonzalez will attend the Hispanic Association of Colleges conference in San Antonio, TX.
- On Oct. 25, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins will participate in a food recovery and gleaning event with Rep. Clayton in Wilmington, NC.
- On Oct. 28, Under Secretary Thompson will speak at the Enterprise Corporation of the Delta meeting in Little Rock, AR.

VII. PRESS/MEDIA INQUIRIES

Amplification

- **Improving The Environment:** On Oct. 14, Secretary Glickman held a media availability at USDA to announce the 16th sign-up period for the Conservation Reserve Program (CRP). Media covering the news conference included *Bloomberg*, *Channel Earth*, *Associated Press*, *Berns Bureau*, *Minneapolis Star-Tribune*, *Medill News Service*, *Reuters*, *Bridge News*, *National Journal*, *Wichita Eagle*, *Kansas City Star*, *Webster Newsletter*, *Futures World News*, *Topeka Capitol-Journal*, and *Small Newspapers*. The Secretary also held an audiobridge news conference with 28 farm broadcasters throughout the country, covering 994 radio stations.

On Oct. 20, Secretary Glickman joined Vice President Gore, state and local officials, farmers, environmental and conservation group representatives, producer organizations, and the media at a farm on Maryland's Eastern Shore to announce an enhanced Conservation Reserve Program (CRP). The Secretary highlighted the effort to enroll farmland adjacent to waterways (which serve as "buffers" protecting the Chesapeake Bay) in the CRP. Prior to the event, *Baltimore Sun* ran an Oct. 18 front-page story on the CRP, and *The Washington Post's* front-page story appeared Oct. 19. Media covering the event included *WRC* (NBC affiliate), *Fox News*, *WJLA* (ABC affiliate), *WUSA* (CBS affiliate), *Channel 8-Cable News*, *WMAR* (Baltimore), *WBAL* (Baltimore), *WJZ* (Baltimore), *The Washington Post*, *Baltimore Sun*, and *Associated Press*.

- **Food Recovery, Feeding The Hungry:** On Oct. 16, Secretary Glickman spoke at the National Farmers Market at USDA headquarters in Washington, DC. He spoke on volunteering, feeding the hungry, food recovery, and the President's proclamation on Farmers Market Week. *Associated Press*, *Reuters*, *Bridge News*, *Bloomberg*, *Conus*, *Fox TV*, and *Voice of America* covered the event.
- **Research, Trade:** On Oct. 16, Secretary Glickman spoke at a reception at the National Arboretum amid a display of South African ornamental flowers, where he joined in honoring the Vice President and Mrs. Gore during a ceremony naming a flower, "Tipper," after Mrs. Gore. The Secretary spoke on the Gore-Mbeki Binational Commission, and announced \$60,000 in research funds for joint U.S.-South Africa ornamental flower research. Media covering the event included *NBC News*, *South African Broadcast* (radio and television), *Juluka* (newsletter), *WHUR* radio, *UAE Broadcast* (Arab media), and flower and garden magazines; *Fox* and *Channel Earth* sent camera crews earlier in the day.

- **Information Super Highway, Improving Health And Education Opportunities:** On Oct. 21, Secretary Glickman traveled with Vice President Gore to New Orleans, LA to announce about \$11 million in grants and loans to 30 states for distance learning and telemedicine programs that will improve access for rural Americans to top-notch educational and health care facilities in urban or distant areas.

Media Inquiries:

- On Nov. 3., Secretary Glickman will be interviewed by *USA Today* on food safety issues.
- *The Tampa Tribune* requested information on the Brazilian citrus industry -- its size, whether there are U.S. tariffs or regulations affecting Brazilian citrus shipments to the United States, and whether there is any U.S. ownership in Brazil's citrus companies. During the debate on fast track, the Florida citrus industry has raised concerns about competition from Brazil's industry.
- *BBC Television* is considering a feature story on the WIC program and how it promotes healthy eating among low-income women, infants, and children.
- *The Washington Post* interviewed USDA Food Safety and Inspection Service Administrator Tom Billy for an article explaining the Department's food safety initiatives to the consumer. The story is scheduled to appear in the Oct. 29 Food Section.
- *CBS News*, *ABC News*, and *MS-NBC* requested interviews after an Oct. 20 *New York Times* article on *Campylobacter* in poultry.
- *Congressional Quarterly* requested an update on USDA's civil rights efforts.
- *USA Today* asked for an update on the Food Summit for a story on food recovery and gleaning.
- *Detroit News* asked for information on food recovery and gleaning.
- *The Sacramento Bee* inquired about the Quincy Library Group, an organization of local citizens interested in the management of three national forests near Quincy, CA.

VIII. FOIA REQUESTS

- The National Meat Association requested various documents regarding *E. coli* 0157:H7.
- *WBNS TV* requested information relating to Pioneer Packing Co./County Smoked Meats in Bowling Green, OH.

- The National Meat Association requested the most recent issue of Quarterly National Condition Summary report.
- *Time Inc.* requested a list of citations against Seaboard Farms from 1990 to the present.
- The French Embassy requested inspection information on USDA's review European poultry production plant samples, with particular interest in the French plants.

IX. WEEKEND CONTACT

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October 29, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of October 27, 1997

I. KEY DEPARTMENT NEWS

- **USDA Recalls E.coli O157:H7 Contaminated Beef:** On Oct. 28, USDA's Food Safety and Inspection Service (FSIS) requested that BeefAmerica, a Nebraska company, recall about 200,000 lbs of ground beef after an FSIS test confirmed the product was contaminated with E.coli O157:H7. The product was distributed nationwide to restaurants, supermarket chains, and other distributors. USDA is working closely with BeefAmerica to notify all entities that received the product, and FSIS has sent compliance officers to the facility. The Centers for Disease Control has not reported any illnesses linked to this product at this time. BeefAmerica product was also the subject of a recall in late September. This recall is likely to receive substantial media attention. The Nebraska congressional delegation has been informed and briefings have been scheduled.
- **New Safe Food Campaign Urges Americans To Fight BAC!:** In conjunction with the President's Food Safety Initiative, Secretaries Glickman and Shalala announced Oct. 24 a new national food safety education campaign, calling on Americans to "Fight BAC!" and reduce foodborne illness by confronting the invisible enemy of foodborne bacteria. The campaign will be the cornerstone of one of the most far-reaching and ambitious public education campaigns ever focused on safe food handling using new, innovative approaches to teach basic sanitation and food handling steps.
- **USDA Participates In Lake Tahoe Follow-Up:** On Oct. 29, Secretary Glickman and Nevada Governor Miller participated in a signing ceremony for agreements creating landmark partnerships among federal, state, tribal, and local units of government, following up on the President's commitment during the Lake Tahoe Presidential Forum last July made to protect and enhance the Lake Tahoe Basin environment.

- **USDA Takes Action Against Tyson's Distribution Center:** On Oct. 22, a USDA food safety inspector closed the Tyson's Distribution Center in Rogers, AR, for problems including (1) black dust on product; (2) splinters of wood throughout the plant; and (3) trash scattered throughout the plant; this was the 36th instance in which this facility violated food safety requirements this year. The closure attracted considerable attention from the state's congressional delegation.
- **Railroad Service Problems Likely To Continue:** The rail service problems that began several months ago are likely to continue to slow grain shipments as the fall harvest is completed in most areas. Rail problems that affected agricultural shippers in the Lower Plains states during the bumper winter wheat harvest are now affecting much of the corn belt. Most railroads, with the exception of the Union Pacific/Southern Pacific (UP/SP), are at least two weeks behind of grain shipment demand in the western United States; delivery times are much worse on the UP/SP.

On Oct. 27, USDA testified at the Surface Transportation Board's (STB) public hearing on the problem. USDA offered two recommendations: (1) the STB should require the UP/SP to provide a number of weekly indicators of UP/SP service to agricultural shippers so that USDA and other agricultural interests can monitor the extent to which rail service is improving to UP/SP agricultural shippers; and (2) the STB should use its emergency powers to direct the handling, routing, or movement of traffic so as to improve the level of service being provided to specific agricultural shippers by allowing alternative rail carriers to service certain UP/SP shippers.

- **Restoration Work Continues For Florida's Lake Apopka:** The largest landowner in Florida's Lake Apopka area has agreed to participate in the Lake Apopka restoration effort; Zelwyn Farms has entered into a Wetlands Reserve Program (WRP) agreement with the Saint Johns River Water Management District and USDA involving 4,100 acres for \$8.2 million.
- **Trial Held On Historic Aircraft Exchange Program:** A Phoenix, AZ federal court found a retired USDA official and private citizen guilty on one charge each of conspiracy to defraud the government in connection with an exchange of 28 military aircraft to five airtanker contractors in return for historic aircraft. Sentencing is scheduled Jan. 5, 1998.
- **Trade Developments:** USDA experts are in North Korea along with a Department of State team, assessing food shortages in North Korea.

Seven American companies project to make \$1.73 million in sales as a result of their participation in POLAGRA '97, held in Poznan, Poland, Oct. 2-7.

213 American companies project to make \$62 million in sales as a result of their participation in the USA pavilion at ANUGA '97, the world's largest biennial food show held in Cologne, Germany, Oct. 11-16.

On Oct. 16, table grapes originating from a family-owned farm in Delano, CA were the first U.S. grapes to arrive in China under a government agreement signed earlier this year, opening a market estimated at \$50 million per year.

On Oct. 16, USDA announced authorization of \$350 million in credit guarantees for sales of U.S. agricultural commodities to the six-country Andean Region for FY98.

Effective Oct. 19, Taiwan banned fresh fruits from the five counties in Florida where Mediterranean fruit flies are known to occur -- Hillsborough, Manatee, Orange, Polk, and Sarasota counties and areas within 20 kilometers.

On Oct. 21, USDA authorized \$10 million in credit guarantees for sales of U.S. agricultural commodities to the Caucasus Region for FY98; this new regional program includes three countries and because no banks in those countries are eligible, banks in Turkey will initially finance the imports into the region under this program.

During the week ending Oct. 22, USDA approved subsidies under the Dairy Export Incentive Program that will facilitate the sale of 1,521 metric tons of dairy products to various destinations in Latin America, Africa, the Middle East, Asia, and the Former Soviet Union.

- **Commodity Markets In Review:** The week ending Oct. 24, wheat prices rose on news of sales to Egypt and Pakistan, plus anticipated buying by China. Corn prices advanced as farmers continued to delay sales despite the rapidly advancing harvest. The decline in stock prices in Hong Kong led soybean prices down. Cotton prices ended up after a volatile week, as quotes moved lower on the Asian currency turmoil and then rose on news of crop damage in Pakistan. Steer prices jumped; severe weather may affect weights and lead to poorer grades.

Average prices for week ending Oct. 24

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.90	+0.07	-0.84
Corn \$/bu	2.74	+0.07	-0.12
Soybeans \$/bu	6.83	-0.04	-0.08
Rice \$/cwt	10.69	+1.07	+0.93
Cotton ¢/lb	69.58	+0.16	-0.95
Steers \$/cwt	67.71	+1.91	-2.55
Hogs \$/cwt	45.75	-0.45	-6.75
Broilers ¢/lb	57.68	-0.51	-6.52
Cheese \$/lb	1.40	0.00	0.00
Butter \$/lb	1.82	+0.53	+0.76
Milk \$/cwt	12.88	0.00	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Fast Track:** On Oct. 21, Foreign Agricultural Service (FAS) Administrator Lon Hatamiya met with Members of the California State Assembly and various agricultural commodity groups to discuss trade opportunities for California agriculture and to support the Administration's fast track initiative.

On Oct. 22, Secretary Glickman spoke at two fast track events. The first was a briefing for about 60 members of the agricultural community; the second was a press conference on Capitol Hill hosted by agricultural organizations, which included participation from several Members of Congress.

On Oct. 23, Under Secretary for Farm and Foreign Agricultural Services Gus Schumacher traveled to Homestead, FL to meet with Florida vegetable producers to discuss market prospects for Florida produce and to discuss fast track.

On Oct. 30, the Secretary will participate in a radio bridge with six reporters to discuss fast track.

- **President's Initiative On Race:** There are 947 active, formal discrimination complaints against USDA programs and services. Since Jan. 1, USDA has taken 432 newly registered program discrimination complaints and closed 126.

There are 1,495 active employment discrimination complaints. Since Jan. 1, there have been 648 newly-registered formal employment discrimination complaints and USDA has closed 562.

USDA Civil Rights Implementation Teams have completed work on 60 of the 92 recommendations, or 65 percent from the Secretary's Civil Rights Action Team Report.

USDA officials met with about 50 Native American producers at the Montana/Wyoming Indian Stock Grower's Association Symposium held Oct. 13-15 in Billings, MT to tell them about various risk management tools available to the farming community.

USDA released an interim report on civil rights implementation to Congress, the media, employees, and constituent groups on Oct. 23.

On Oct. 27, Secretary Glickman delivered the keynote address to the Hispanic Association of Colleges and Universities in San Antonio, TX; he spoke on civil rights, focusing on Hispanic Americans.

On Oct. 28, the Secretary delivered the keynote address to the Intertribal Agriculture Council in Chandler, AZ, where he discussed civil rights and making USDA programs more accessible to Native Americans.

On Oct. 31, Washington state USDA officials will participate in the Hispanic Farmers Economic Development Forum in Toppenish, WA, as part of USDA's continuing efforts to inform minority producers about Department programs and credit opportunities.

- **Welfare Reform Update:** During the period ending Oct. 29, USDA received one new request from one county and four Labor Market Areas in New Hampshire for a waiver of provisions of the welfare reform bill that 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 individual is employed for an average of 20 hours per week or participating in a work program. During the period, no new exemptions were approved.
- **Lake Tahoe Follow-Up:** On Oct. 29, Secretary Glickman and Nevada Governor Miller participated in a signing ceremony for agreements creating landmark partnerships among federal, state, tribal, and local units of government, following up on the President's commitment made to protect and enhance the Lake Tahoe Basin environment.

III. NOTABLE CONGRESSIONAL ACTIVITY

- On Oct. 28, the Senate approved the Conference Report for the FY98 interior appropriations bill.
- On Oct. 29, the House Agriculture Committee passed the Agricultural Research Extension and Education Authorization Act of 1997, a bill extending USDA's research programs. Similar legislation is waiting action in the Senate.
- On Oct. 30, USDA's Office of the Inspector General will testify before the Subcommittee on Department Operations, Nutrition, and Foreign Agriculture of the House Committee on Agriculture on fraud, waste, and abuse in the food stamp program.
- On Nov. 4, the House Agriculture Subcommittee on Forestry, Resource Conservation, and Research will hold an oversight hearing on the Environmental Quality Incentives Program (EQIP), a new conservation program included in the 1996 farm bill.
- On Nov. 5, the House Agriculture Subcommittee on Risk Management and Specialty Crops will hold a hearing on the federal crop insurance program.
- On Nov. 5, the House Agriculture Subcommittee on Forestry, Resource Conservation, and Research will mark up the Forest Recovery Protection Act.
- On Nov. 6, the House Agriculture Subcommittee on General Farm Commodities will hold a hearing on agricultural transportation issues, focusing on the rail grain situation.

IV. SECRETARY'S SCHEDULE

- On Oct. 30, Secretary Glickman will be interviewed by *ABC World News Tonight* for a segment on food safety.
- On Oct. 30, the Secretary and Special Ambassador for Agriculture Sher will participate in a radio bridge on fast track.
- On Oct. 31, the Secretary will be interviewed by *International USA Weekend* on food safety.
- On Nov. 3, the Secretary will be interviewed by *USA Today* on food safety.
- On Nov. 6, the Secretary will speak at USDA's Native America Heritage Program in Washington, DC.

V. DEPUTY SECRETARY'S SCHEDULE

- On Nov. 6, Deputy Secretary Rominger will address the California Association of Local Agency Formation Commissions conference in Squaw Valley, CA.

VI. SUB-CABINET SCHEDULE

- On Nov. 1, Under Secretary for Food Safety Catherine Woteki will address the National Food Processors Association in Chicago, IL.
- On Nov. 2, Under Secretary Woteki will speak at the Council for Agricultural Science and Technology in Chicago, IL.
- On Nov. 4, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins will address the Commodity Supplemental Food Program conference in Chicago, IL.
- On Nov. 6, Under Secretary Watkins will speak at the Hunger Action Coalition luncheon in Detroit, MI.

VII. PRESS/MEDIA INQUIRIES

- **Supporting Fast Track:** Secretary Glickman and several other USDA officials participated in several events during the week of Oct. 20 supporting the President's Fast Track Initiative. (*see USDA Work On Presidential Initiatives*)
- **President's Food Safety Initiative:** On Oct. 24, Secretaries Glickman and Shalala unveiled "Fight BAC," a consumer education food safety campaign in conjunction with the President's Food Safety Initiative. The Secretary also participated in a news conference, along with Secretary Shalala and officials from industry, government, and consumer groups. Media covering the event included *The Washington Post*, *NBC News*, *ABC News*, *CNN*, *CBS*, *Fox Cable News*, *Channel Earth*, *Nutrition Action* newsletter, *Washington Health Advocate*, *Bridge News*, *Berns Bureau*, *St. Louis Post-Dispatch*, *Bloomberg TV*, *Reuters*, *Voice of America*, *Farm News Service*, *Fisher TV*, *Vance Publications*, *Tribune Broadcasting*, *Fairchild Publications*, *Hearst-Argyle TV*, *Conus TV*, and *Food Chemical News*. (*see Key Department News*)

On Oct. 30, *ABC News* is interviewing Secretary Glickman as part of a three-part series on food safety.

On Nov. 3, Secretary Glickman is meeting with the editorial board of *USA Today* to discuss food safety and other subjects.

- **President's Initiative On Race:** *Congressional Quarterly* and Capitol Hill press covered Secretary Glickman's Oct. 23 testimony before the House Agricultural Committee on civil rights issues at USDA.

San Antonio Express, two local radio stations, and *Telemundo-Channel 60* covered the Secretary's Oct. 27 keynote address to the Hispanic Association of Colleges and Universities in San Antonio, TX, when he spoke on civil rights, focusing on Hispanic Americans. (see *USDA Work On Presidential Initiatives*)

- **USDA Work On Rural Education, Health, Information Superhighway:** On Oct. 21, Secretary Glickman traveled to New Orleans and joined the Vice President in announcing \$10.2 million in grants and loans to benefit 1.7 million rural Americans through distance learning and telemedicine programs. Media covering the event included *Associated Press*, *New Orleans Times Picayune*, *WDSU* (NBC affiliate), *WWL* radio and television, and *Fox News*.
- **White House Conference On Child Care:** Secretaries Glickman and Riley convened a listening session at USDA -- which served as a downlink site -- for the White House Conference on Child Care. More than 100 guests affiliated with child care attended, as did reporters from such trade publications as *Fed News*, *School Food Service Nutrition* magazine, and *Nutrition Week*.

Media Inquiries

- *Wall Street Journal* is likely to publish an article this week on U.S.-EU agricultural trade.
- *Washington Post* reporter Carol Sugarman interviewed USDA's Food Safety and Inspection Service administrator on Oct. 20 for an article explaining the Department's new meat and poultry inspection program.
- *Arkansas Gazette*, *Arkansas Morning News*, and local television stations inquired about the temporary shutdown of the Tyson's Cold Storage Plant, Rogers, AR.
- *NBC Dateline* inquired about USDA testing to identify different species of meat tissue used in ground products. NBC claims it has tested product and found a large amount of mislabeled product.
- *U.S. News & World Report* interviewed USDA's deputy administrator for public health and science Oct. 24 for an upcoming story about food safety initiatives at USDA.

VIII. FOIA REQUESTS

- No major FOIA requests to report for this week.

IX. WEEKEND CONTACT

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November 5, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of November 3, 1997

I. KEY DEPARTMENT NEWS

- **USDA Closes Meat Packing Plant:** On Oct. 31, USDA withheld its mark of inspection from the BeefAmerica – a company whose products were implicated in previous recalls -- plant in Norfolk, NE, effectively closing the plant for numerous violations. On Nov. 2, the company provided USDA with a written corrective action plan, adequate to allow the company to begin operations the morning of Nov. 3.
- **Inter-Agency Paleontology Team Travels To Fossil Site:** On Nov. 2, a team of paleontologists from USDA, the Smithsonian Institution, and two public museums, traveled to Fort Peck, MT to review preservation work done on a Tyrannosaurus-rex fossil excavated on USDA inventory property in Montana, to assess the relative significance of the discovery, and to resolve the disposition of the remains.
- **Southeast Asia Currency Turmoil Could Affect U.S. Agricultural Exports:** Initial USDA analysis indicates that U.S. agricultural exports to the ASEAN market could drop by as much as \$575 million, roughly 20 percent, over the next one to two years because of the recent turmoil in currency markets in Thailand, the Philippines, Indonesia, and Malaysia. The Department is studying various means of providing additional credit to countries in the region and other measures to help U.S. exports remain competitive.
- **Food Stamp Demonstration Projects Reassessed:** USDA has reevaluated all 33 food stamp demonstration projects under the new criteria of the welfare reform bill and as a result, 22 must be terminated.
- **USDA Receives Nutrition Award:** On Oct. 28, the American Dietetic Association awarded its Presidents' Circle Award for Nutrition Education to USDA for "Team Nutrition USDA" and its success at developing and disseminating scientifically sound and unique nutrition information.

- **Gold Screen Award Featuring USDA Program Wins First Place:** The USDA radio feature, *A Native American Heritage Being Preserved*, won a first place award in the National Association of Government Communicators Gold Screen Awards. The winning radio program featured a USDA resource conservation and development project near Pensacola, FL.
- **Plant Materials Center To Receive Model Project Award:** The Society for Ecological Restoration selected USDA's Plant Materials Center in Bismarck, ND for its 1997 Model Project Award, which will be presented Nov. 13 at the Society's annual meeting, for the Center's innovative approaches to the establishment and seed processing of several native species for prairie restoration.
- **Mexican Fresh Avocados Allowed Entry Into United States:** On Nov. 1, new regulations took effect that allow Mexican fresh avocados to be shipped to the northeastern United States for the first time. These regulations were the subject of intense congressional and industry interest during their development.
- **Dairy Exports Update:** From Oct. 23-29, USDA approved subsidies facilitating the export of 5,193 metric tons of dairy products to destinations in Latin America, Africa, and the Middle East.
- **Butter Prices Reach Record Level:** Butter prices on the Chicago Mercantile Exchange made their largest single-day increase Oct. 24 when Grade AA butter increased 58 cents per pound, and Grades A and B butter each increased 53 cents per pound.
- **Commodity Markets In Review:** The week ending Oct. 31, wheat prices slumped on poor export demand and a good start to the 1998 fall-planted U.S. crop. Corn prices were unchanged, but futures fell along with the stock market over worries about Southeast Asia. Rice cash prices rose as Latin America and nearby mill demand remains strong, while futures prices fell, reflecting turmoil in Asian currency and equity markets. Soybean prices moved higher on strong crush and export demand, despite worries over Southeast Asia. Cattle prices advanced sharply as a severe winter storm slowed marketings. Large pork supplies continue to pressure hog prices, which fell last week.

Average prices for the week ending Oct. 31

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.78	-0.12	-0.89
Corn \$/bu	2.75	+0.01	+0.07
Soybeans \$/bu	6.86	+0.03	+0.03
Rice \$/cwt	10.69	0.00	+0.10
Cotton c/lb	69.55	-0.03	-1.13
Steers \$/cwt	69.18	+1.47	-2.02
Hogs \$/cwt	45.70	-0.05	-6.75
Broilers c/lb	57.32	-0.36	-7.11
Cheese \$/lb	1.40	0.00	0.00
Butter \$/lb	1.47	-0.35	+0.51
Milk \$/cwt	12.93	+0.05	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Fast Track Update:** On Nov. 3, Secretary Glickman participated in a fast track press conference with Secretary Rubin, Ambassador Barshefsky, and Senators Baucus, Breaux, Bryan, Daschle, Johnson, Moynihan, and Rockefeller.

Secretary Glickman, Ambassador Peter Scher, and Mack McLarty discussed fast track during a media availability with national agriculture broadcasters Oct. 30. (*see Press/Media Inquiries for list of coverage*)

- **Presidential Initiative On Race:** USDA has four temporary investigators in the Office of Civil Rights, and is hiring another 11. In addition, five contractors have been assigned cases for investigation, and another five are expected to be approved soon by the Small Business Administration.

USDA reached an agreement with the Howard University Law School so that 11 third-year students have begun working 20 hours a week with the Office of Civil Rights. Another three students from local law schools are expected.

On Oct. 28, Secretary Glickman announced nearly \$2 million in grant awards to 29 tribal colleges under USDA's new Tribal Colleges Extension Program.

On Oct. 30, the Secretary announced he established a Hispanic advisory council at USDA to provide leadership on Hispanic issues at the Department; he also appointed its first 13 members.

In keeping with the President's "One America" Initiative, USDA continues outreach efforts to minorities and hard-to-reach populations. On Nov. 4, the Under Secretary for Food, Nutrition, and Consumer Services was interviewed by *The Chicago Defender*, Chicago's largest African American newspaper. On Nov. 5, she will hold a Hispanic outreach roundtable to discuss nutrition programs, improving outreach to the Hispanic community, and educating the Hispanic community on available nutritional resources.

- **Lake Tahoe Follow-Up:** On Oct. 29, Secretary Glickman reinforced the Administration's commitment to the environmental and economic health of the Lake Tahoe region with the signing of two agreements.

III. NOTABLE CONGRESSIONAL ACTIVITY

- On Nov. 5, the House Agriculture Subcommittee on Risk Management and Specialty Crops held a hearing on the Federal Crop Insurance program.
- On Nov. 5, the House Agriculture Subcommittee on Forestry, Resource Conservation, and Research marked up the Forest Recovery Protection Act.
- On Nov. 7, the House Government Reform and Oversight Subcommittee on Government Management, Information, and Technology will hold a hearing to examine implementation of the Debt Collection Improvement Act of 1996.

IV. SECRETARY'S SCHEDULE

- On Nov. 10, the Secretary will host a breakout session at the White House Conference on Hate Crimes in Washington, DC.
- On Nov. 14, the Secretary will address the Farm Broadcasters Association in Kansas City, MO.
- On Nov. 14, the Secretary will address the National FFA convention in Kansas City, MO.
- On Nov. 17, the Secretary will participate in the Cessna Plant dedication in Wichita, KS with the President.
- On Nov. 18, the Secretary will speak at the National Marketplace for the Environment conference in Washington, DC.

V. DEPUTY SECRETARY'S SCHEDULE

- On Nov. 6, Deputy Secretary Rominger will address the California Association of Local Agency Formation Commissions conference in Squaw Valley, CA.
- On Nov. 17, the Deputy Secretary will address the Board of Western Grain Marketing Association meeting in Yolo, CA.
- On Nov. 18, the Deputy Secretary will speak at the California Council on Science and Technology meeting in Riverside, CA.

VI. SUB-CABINET SCHEDULE

- On Nov. 6, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins will speak at the Hunger Action Coalition 20th year luncheon in Detroit, MI.
- On Nov. 7-8, Acting Assistant Secretary for Administration Pearlie Reed will speak at the Federation of Southern Cooperatives/Land Assistance Fund-First South Carolina Annual Marketing Conference in Florence, SC.
- On Nov. 8-13, Under Secretary for Farm and Foreign Agricultural Services August Schumacher, Jr. will head the U.S. delegation to the 29th session of the FAO Conference in Rome, Italy.
- On Nov. 12, Under Secretary for Rural Development Jill Long-Thompson will attend the Ft. Wayne Women's Bureau First Lady's reception in Ft. Wayne, IN.
- On Nov. 13, Under Secretary Long-Thompson will address the AgriWomen meeting in Kalamazoo, MI, at which she will announce that USDA will host the Second International Rural Women's Conference.
- On Nov. 13, Under Secretary for Food Safety Catherine Woteki will speak at the Apple Processors Association meeting in Washington, DC.
- On Nov. 13, Under Secretary Watkins will speak at the Breastfeeding Promotion Consortium in Alexandria, VA.
- On Nov. 14, Under Secretary Woteki will speak at the Farm Journal Forum in Washington, DC.
- On Nov. 14-15, Acting Assistant Secretary Pearlie Reed will speak at California State Polytechnic University College of Agriculture Conference on Urban/Rural Environmental, Food, Population, and Agricultural Issues in Pomona, CA.

- On Nov. 16, Under Secretary Watkins will speak at the USDA Child Nutrition Conference in Portland, OR.

VII. PRESS/MEDIA INQUIRIES

Amplification

- **Fast Track:** USDA has participated in a number of media activities to highlight Fast Track. (see *USDA Work On Presidential Initiatives*)

There was a significant amount of press coverage at the Nov. 3 Fast Track press conference with Secretaries Glickman and Rubin, Ambassador Barshefsky, and Senators Baucus, Breaux, Bryan, Daschle, Johnson, Moynihan, and Rockefeller. Television coverage included: *ABC, CBS, CNN, FNC, NBC, CNBC, MSNBC* (live), *Conus, Reuters* (live), *The News Hour*, and *Bloomberg*. Radio coverage included: *ABC, CBS, Bloomberg, Standard, UPI*, and *VOA*. All the wire services and a number of daily papers, including *The Washington Post* and *New York Times*, were present. Secretary Glickman and Senator Daschle were interviewed by *KELO* and *KDLT* of Sioux Falls, SD, and Secretary Glickman met with the *USA Today* editorial board, where he started off with a discussion of Fast Track.

On Nov. 5, Under Secretary for Farm and Foreign Agricultural Services August Schumacher participated in a radio interview organized by the National Cotton Council to be aired by farm broadcasters in Southern states.

Secretary Glickman, Ambassador Peter Scher, and Thomas H. (Mack) McLarty discussed fast track during a media availability with agriculture broadcasters Oct. 30. Reporters participating in the question-and-answer session were from the *Kansas Ag Net, WLDS Radio*; Jacksonville, IL; *American Ag Net*, Fargo, ND; *WHO*, Des Moines, IA; *Brownfield Network*, Jefferson City, MO; and *WTAX*, Springfield, IL. In addition, 33 agriculture broadcasters representing networks and news outlets from around the country listened to the discussion.

- **Food Safety Update:** On Oct. 30, *ABC News* interviewed Secretary Glickman as part of a three-part series on food safety, "Is Our Food Safe?," scheduled to air the week of Nov. 10-14.

On Oct. 31, the *Orlando Sentinel* ran the Secretary's op-ed piece on the Administration's efforts on food safety October 31.

The Secretary met with the editorial board of *USA Today* Nov. 3 to discuss food safety, fast track, and other subjects; also attending was an editorial writer from the *Des Moines Register*.

Media Inquiries

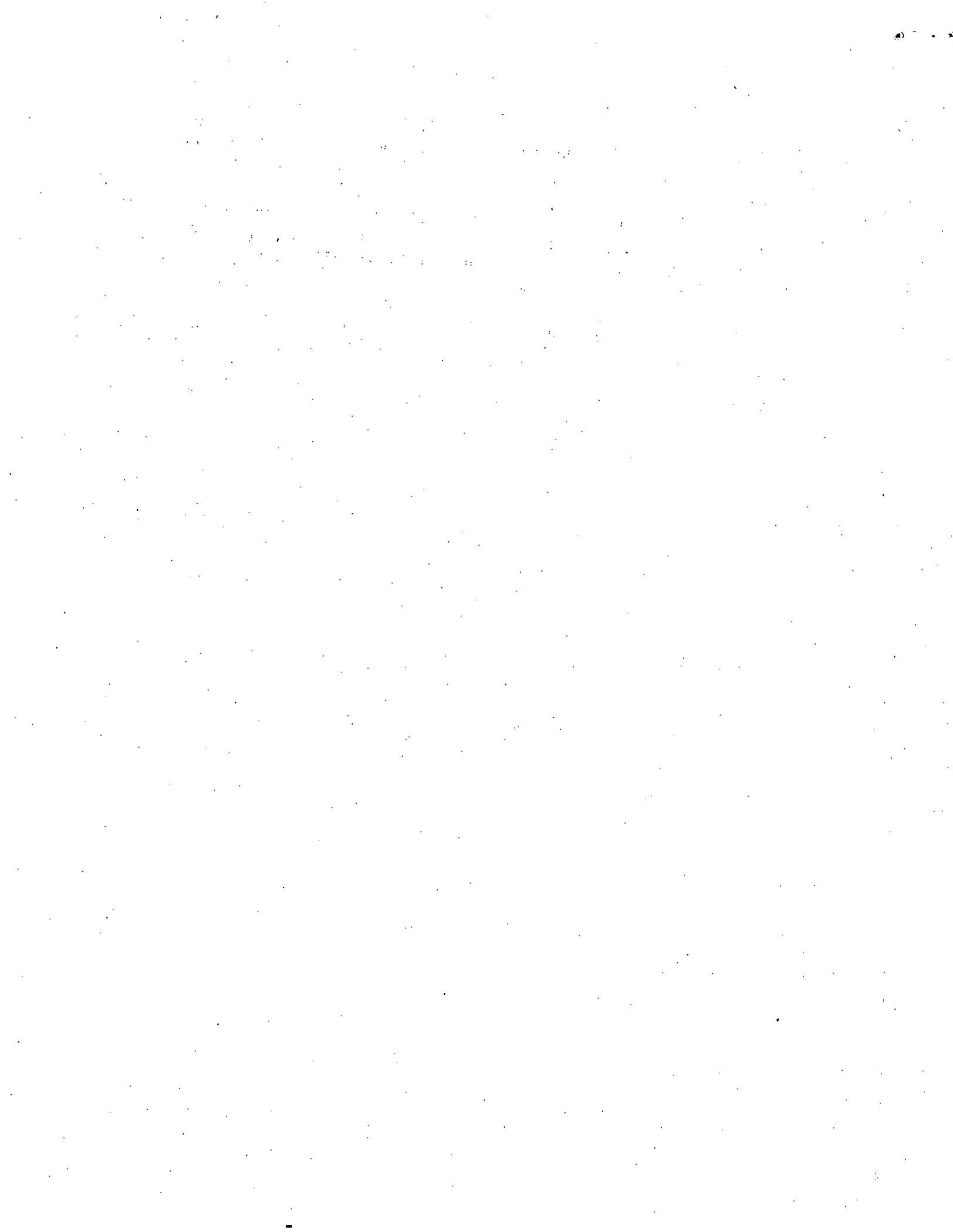
- On Nov. 4, *National Public Radio* ran a story on imports of avocados from Mexico into the northeastern United States, which included interviews with California avocado producers who questioned whether the imports would introduce foreign pests into California avocado orchards.
- On Nov. 4, *Wall Street Journal* published a front-page story on U.S./EU agricultural trade, noting that despite differences, the volume and value of two-way trade continues to grow.
- *Associated Press, New York Times, Norfolk Daily News* (Nebraska), *Omaha World Herald, CNN, CBS, Dow Jones, Bridge Financial News Service, and Reuters* inquired about the closing of the BeefAmerica plant in Norfolk, NE. (see *Key Department News*)

VIII. FOIA REQUESTS

- The Washington correspondent for *National Public Radio* requested memorandums, studies, and reports used in developing the new Standard Reinsurance Agreement for crop insurance, and for information/analysis linking premium subsidies to the size of farms.

IX. WEEKEND CONTACT

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November 12, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of November 10, 1997

I. KEY DEPARTMENT NEWS

- **USDA Pushes Fast Track:** Secretary Glickman participated in numerous media interviews about fast track. (*see Press/Media Inquiries*)
- **Court Finds Class I Differentials For Milk Unlawful:** On Nov. 3, Judge Doty of the U.S. District Court for Minnesota issued a decision in Minnesota Milk Producers v. Glickman, in which he found that USDA failed to consider factors such as feed costs, mandated by the authorizing legislation, in setting Class I differentials in 28 surplus orders and those orders that do not rely on milk from the Upper Midwest. As a result, Judge Doty concluded that the Secretary's decisions regarding Class I differentials are arbitrary and capricious because they are not supported by substantial evidence. He declared the differentials are unlawful, and enjoins the Secretary from enforcing them. The Judge has agreed that ruling will not apply to the proceeds from the October pool.
- **October Milk Basic Formula Price Up Slightly:** On Nov. 5, it was announced that the Basic Formula Price (BFP) for milk in October is \$12.83 per hundredweight. From a seasonal low of \$10.70 in May, the BFP has now increased \$2.14 or 20 percent in five months. Compared to the current support price, the October BFP is \$2.23 higher. The October BFP is up 4 cents from September and is down \$1.28 from the previous year.
- **Conservation Reserve Program Update:** The Conservation Reserve Program (CRP) general sign-up, which began Oct. 14, will end Nov. 14. As of October 31, there were 64,618 offers for nearly 5.5 million acres. Many more bids are expected by the end of the sign up period.

- **Tainted Strawberry Update:** The week of Nov. 3, Andrew and Williamson Sales Inc. (A&W) began to retrieve strawberries tied to the recent hepatitis A outbreak, as mandated by federal court order. States are submitting reimbursement forms to A&W for costs incurred while holding the strawberries, also as mandated by federal court order, and USDA will closely monitor timeliness and accuracy of payments. Criminal and civil settlement agreements are scheduled to be signed with the company Nov. 20.
- **USDA Continues Work On Fire Policy:** A draft policy prepared by the USDA Forest Service, the Departments of Interior and Defense, Environmental Protection Agency, state foresters, and state air regulators, that will stress better collaboration between states and federal agencies and implementation of new or improved smoke management programs where prescribed burning is expected to increase, will be released to the public for review in early December.
- **Emergency Assistance Being Provided In Colorado:** USDA officials are working with Colorado officials to explore options for disposing of carcasses of the estimated 15,000 cattle that died in the recent blizzard.
- **Actions Filed Against Producers For Alleged Crop Insurance Fraud:** The North Dakota U.S. Attorney's office is pursuing criminal and civil prosecution against six crop insurance policyholders who allegedly hid wheat and sunflower production in 1993-94 by selling under another name. The hidden production caused indemnity overpayments of \$391,396. The producers also allegedly used crop insurance claim forms for disaster purposes, causing \$271,219 in disaster overpayments.
- **Transportation Update:** The train gridlock continues in the Ft. Worth, TX switching yards, and Mexican importers have switched to other railroads in an effort to get soybeans into Mexico. The rail congestion has caused a severe shortage of soybeans for the many crushers that did not stockpile their beans.

On Nov. 6, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn testified before the House Agriculture Subcommittee on General Farm Commodities on rail service problems in the Western states and the emergency action taken by the Surface Transportation Board to ease rail congestion.

- **Forest Unveils Plan Restricting Off-Road Vehicle Use:** In an effort to protect natural resources, particularly endangered and aquatic species, the Daniel Boone National Forest in Kentucky released a proposal the week of Nov. 2 to restrict off-highway vehicle use. Additional trails could be designated after site-specific environmental analysis and public involvement processes are completed. Interest in the proposal is expected to be high among many groups.

- **USDA Working On Erie Canal Corridor Initiative:** USDA is working on an agreement with the Department of Housing and Urban Development to focus on development needs of communities along the Erie Canal in New York. A draft agreement should be completed by Nov. 14.
- **Maryland's Pfiesteria Action Commission Adopts Plans:** Maryland's Pfiesteria Action Commission adopted plans controlling nutrient runoff on the Eastern Shore by 2002. Poultry farmers oppose the proposal, stating that they believe whatever measures are adopted controlling the spreading of chicken manure would be costly. The Commission's recommendations will be debated in next year's General Assembly.
- **Electronic Benefits Transfer Expands:** Starting this month, Pennsylvania began state-wide expansion of its Electronic Benefits Transfer (EBT) system with the addition of nearly 10,000 households in Berks County. Next year, another 170,000 households will be added, and statewide expansion should be completed by summer 1998.

On Nov. 1, San Bernardino County, CA began implementation of its EBT system with 10,877 food stamp households in the Victorville/Hesperia section of the county. San Bernardino plans to be fully operational by March 1998.

- **USDA Loans Help Family Farmers:** USDA continues to provide assistance during the continuing resolution period, with 683 direct loans worth \$30.7 million and 368 guaranteed loans for \$48.6 million being made this fiscal year for family farmers in rural America. In FY97, USDA provided loans and loan guarantees to 27,000 family farmers totaling \$2.3 billion, with 2,600 of these loans (\$163 million) being made to minority and women producers and 6,200 loans and guarantees made to beginning family-size farmers (\$449 million).
- **Nebraska Wells Being Tested For Contamination:** A private company, under contract to USDA, has begun testing private domestic wells at 48 sites in Nebraska for possible contamination by carbon tetrachloride as part of a larger collaboration between the Department, the Environmental Protection Agency, and the state to safeguard public health. The testing locations have been identified as the former sites of USDA grain storage bins.
- **Trade Developments:** On Oct. 30-Nov. 5, USDA approved subsidies facilitating the export of 1,961 metric tons of dairy products to destinations in Caribbean, Central, and South America, Africa, and the Middle East.

On Oct. 31, after extensive negotiations with the United States, Chile lifted its ban on imports of U.S. wheat due to the Karnal Bunt disease.

On Oct. 31, the first case of Bovine Spongiform Encephalopathy was confirmed in Belgium involving a cow which was delivered for slaughter. In response to this finding, USDA immediately enacted an interim rule adding Belgium to the list of BSE-affected countries.

On Nov. 20-21, USDA officials will attend the meetings of the WTO Committee on Agriculture in Geneva to review members' notifications of WTO commitments and to discuss important Uruguay Round issues.

U.S. exporters are anxiously awaiting an expected announcement by Thailand of the country's 1998 zero tariff corn import policy to fill an anticipated 350,000-ton quota. Thailand is expected to import 750,000 tons in 1997/98.

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Secretary Participates In White House Conference On Hate Crimes:** Secretary Glickman led a breakout session, with a focus on community responses, at the White House Conference on Hate Crimes on Nov. 10.
- **Presidential Initiative On Race:** USDA civil rights teams have completed work on 60 of the 92 recommendations of the USDA Civil Rights Action Team and are at 80 percent completion or above on 24 other recommendations.

USDA is working with the Great Lakes Intertribal Council (GLITC) to organize a three-day conference for Nov. 18-20 to create better mutual understanding between USDA and GLITC members, and clarify how tribes may tap into USDA programs and structure.

- **Food Safety Update:** USDA is finalizing a group of public meetings under the President's Initiative for the development of enhanced standards to ensure the safety of imported and domestic fruits and vegetables. The sessions are tentatively scheduled to begin Dec. 1 in Michigan and to be completed in Oregon on Dec. 12.

On Nov. 4, Senator Durbin and Representative Fazio introduced legislation which would consolidate the federal government's food safety, labeling, and inspection services into a single federal agency. While further congressional action is unlikely this year, Senator Durbin said that he expected the Senate Governmental Affairs Committee to hold a hearing on the legislation sometime next year.

- **Welfare Reform Update:** During the Nov. 4-11 period, USDA received a waiver extension request for 13 Louisiana parishes from the provisions of the welfare reform bill which limit Food Stamp Program participation to three months in any 36-month period for able-bodied adults without dependents ages 18-50 unless the effected individuals are employed for an average of 20 hours per week or are participating in a work program. The original waiver was granted, and the extension requested, based on an unemployment rate over 10 percent.

USDA declined the statewide exemptions requested by Maine for individuals without vehicles, homeless individuals, individuals who are illiterate or not fluent in English, individuals with limited job skills, and migrant farm workers because the Department does not have the statutory authority to approve the request.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Research Title Reauthorization:** On Nov. 8, the House passed its version of the research title reauthorization bill.
- **Bill Introduced On Tobacco Consumption:** On Nov. 8, Senators Durbin, Kennedy, Kerry, Lautenberg, and Reed introduced a bill to amend the Public Health Act and the Federal Food, Drug, and Cosmetic Act to prevent the use of tobacco products by minors, to reduce the level of tobacco addiction, to compensate federal and state governments for a portion of the health costs of tobacco-related illnesses, to enhance the national investment in biomedical and basic scientific research, and to expand programs to address the needs of children.
- **Agriculture Census Update:** On Nov. 10, the Senate passed legislation that would transfer responsibility for conducting the agricultural census from the Department of Commerce to USDA. The bill has now been passed by both Houses and is expected to be transmitted to the White House later this week.
- **Hearing On Renewable Fuels:** On Nov. 13, the Senate Agriculture Committee will hold a hearing on ways renewable agriculturally produced fuels could aid in decreasing greenhouse gas emissions and dependence on foreign oil thereby increasing U.S. energy security.

IV. SECRETARY'S SCHEDULE

- On Nov. 13, Secretary Glickman will speak at the *Farm Journal* Conference in Washington, DC.
- On Nov. 14, Secretary Glickman will address the Farm Broadcasters Association in Kansas City, MO.

- On Nov. 14, the Secretary will address the National FFA convention in Kansas City, MO.
- On Nov. 17, the Secretary will participate in the Cessna 21st Street Facility dedication in Wichita, KS with the President.
- On Nov. 18, the Secretary will speak at the National Marketplace for the Environment conference in Washington, DC.

V. DEPUTY SECRETARY'S SCHEDULE

- On Nov. 17, Deputy Secretary Rominger will address the Board of Western Grain Marketing Association meeting in Yolo, CA.
- On Nov. 18, the Deputy Secretary will speak at the California Council on Science and Technology meeting in Riverside, CA.

VI. SUB-CABINET SCHEDULE

- On Nov. 13, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins will speak at the Breastfeeding Promotion Consortium in Alexandria, VA.
- On Nov. 13, Under Secretary for Rural Development Jill Long Thompson will address the AgriWomen meeting in Kalamazoo, MI, at which she will announce that USDA will host the Second International Rural Women's Conference.
- On Nov. 14, Under Secretary Watkins will participate in a Child Nutrition Programs Outreach Roundtable in Memphis, TN.
- On Nov. 16, Under Secretary Watkins will speak at the USDA Child Nutrition Conference in Portland, OR.
- On Nov. 18, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn will attend a listening session on rail service in Des Moines, IA.
- On Nov. 24, Under Secretary Watkins will speak at the Georgetown University School Meals Policy Forum in Washington, DC.

VII. PRESS/MEDIA INQUIRIES

Amplification

- **Fast Track:** The Nov. 5 *USA Today* ran a positive editorial on fast track following Secretary Glickman's meeting with the editorial board. The Secretary was also interviewed Nov. 5 by *CNN Radio* (500 affiliates), *Mid-America Agriculture Network* (22 Kansas and 15 Nebraska stations), and *Kansas City Star* on fast track. On Nov. 6, the Secretary was interviewed by *NBC Nightly News* on fast track.

Secretary Glickman wrote an opinion column on fast track that ran in the *Wichita Eagle* and *Omaha World Herald* on Nov. 7.

Media Inquiries

- *U.S. News & World Report*, *Discovery Channel*, *CNN*, *Wall Street Journal*, and other major news outlets are preparing stories on food safety.
- *ABC World News Tonight* requested a tour of the Athens, GA USDA Agricultural Research Service laboratory that specializes in food safety.
- *CBS News* is working on a piece about school meals programs, the "Buy American" rule, country of origin labeling, and USDA inspection seals on fruit juice products.
- On Nov. 4, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins was interviewed by *Chicago Defender*, the city's largest African American newspaper, on the upcoming Child Nutrition Reauthorization Act and civil rights.
- *New York Times* made several requests for information on state-funded programs for legal immigrants, including the latest status report, the number of legal immigrants who have lost benefits nationwide and in New York, and the number of food stamp recipients in New York and nationwide.
- *ABC News* is working on a story about the Child and Adult Care Food Program, and has filed a FOIA with USDA for additional information.
- *USA Today* requested an interview with Under Secretary Watkins to discuss trends in school meals, including increased use of ethnic foods, low-fat and vegetable items, and in-house brands to help students recognize food items and combinations.
- *CNN's San Francisco Bureau* is working on a follow-up story to the April outbreak of hepatitis A and a possible link to strawberries distributed through the school lunch program.

- *Restaurants and Institutions* magazine is working on a Team Nutrition story for the December 15 issue.
- *NBC Dateline* requested an interview with USDA Food Safety and Inspection Service compliance officials who worked on a three-year old case of species adulteration with California officials in which a retail chain was fined \$12 million for adulteration and mislabeling.
- *U.S. News and World Report* inquired about USDA involvement at the port of Nogales, AZ in food safety inspections.

VIII. FOIA REQUESTS

- The Coalition for Minority Employees requested information on employment and promotion by race and gender for the past six years.
- The Coalition for Minority Employees asked for information on Forest Service hiring practices.

IX. WEEKEND CONTACT

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November 19, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for the Weeks of November 17 and 24, 1997

I. KEY DEPARTMENT NEWS

- **USDA Temporarily Shuts Down Michigan Turkey Plant:** On Nov. 17, USDA inspectors temporarily shut down BilMar Foods in Zeeland, MI (near Grand Rapids) because of unsatisfactory sanitation standard operating procedures. The plant has 1,800 employees and processes for the Sara Lee Corporation. USDA expects the shutdown to last at least two days, until the plant corrects the deficiencies.
- **USDA To Ask Justice Department To Appeal Dairy Policy Decision:** On Nov. 17, USDA announced it will seek to appeal Judge Doty's decision in Minnesota Milk Producers v. Glickman, which held that certain aspects of federal dairy pricing policy are illegal. On Nov. 7, Judge Doty granted USDA's request to allow the current system to remain in effect for milk delivered in October on which final payments to producers will not be made until mid-November.
- **Tainted Strawberry Merchants Plead Guilty:** On Nov. 18, Fred Williamson and his company, Andrew and Williamson Inc. (A&W), plead guilty in U.S. District Court, Southern District of California, to the fraudulent sale of over 1.74 million pounds of Mexican-grown strawberries to the USDA School Lunch Program. As a result, Williamson faces a custodial jail term and the company faces a \$250,000 criminal fine. In a parallel civil case, A&W must reimburse the federal government \$1.3 million in civil damages. Also, A&W is responsible for the removal and disposal of 960,380 pounds of unconsumed strawberries located in 17 states.
- **USDA Investigates Philadelphia Retailers:** Over a three-week period, USDA investigated 278 Philadelphia, PA retailers suspected of food stamp program violations, having found violations at 152 stores. 75 stores trafficked stamps for cash at a discount and face permanent disqualification; 35 stores will be removed from the program for shorter periods of time; and 42 stores will receive warning letters.

- **USDA Works To Restore Giant Sequoia Grove:** Sequoia National Forest has entered into a partnership with a California Polytechnic University professor of forestry to study giant sequoia groves and establish a scientific foundation for ecological restoration of all groves on the forest, starting with the Converse Basin Grove, one of the largest giant sequoia groves in the United States.
- **Rail Service Problems Being Addressed:** On Nov. 7-14, USDA conducted its second round of public hearings on rail service to agricultural shippers, in Iowa, Minnesota, Montana, and North Dakota.
- **USDA To Invoke Special Safeguard On Sheep Meat Imports:** During the week of Nov. 17, USDA will impose an additional one cent per kilogram duty to the current Most Favored Nation rate of 3.1 cents per kilogram on imported sheep meat, triggered by an increase in imports above the moving three-year average.
- **Farm Loans Update:** So far this fiscal year, USDA has made 916 direct loans, worth \$40 million, and 593 guaranteed loans, for \$80 million, to family farmers in rural America, many of which have been provided to minority and beginning farmers.
- **First Florida Tomatoes Arrive In Japan After Inspection Delay:** In early November, the first shipment of Florida tomatoes arrived in Japan since Japan began to allow imports of certain tomato varieties from the United States, opening a market valued at \$10 million-\$20 million annually.
- **Final Aid Shipment Arrives In North Korea:** On Nov. 14, the fourth and final shipment of grain sent to help the hungry in North Korea arrived in N'ampo.
- **Swiss Authorities Voluntarily Suspend Meat Exports To U.S.:** Following USDA inspections of Swiss slaughterhouses and meat processing plants that found that the plants lacked systematic supervision and inspection and that conditions in a number of plants were unsatisfactory, Swiss veterinary services voluntarily stopped issuing export certificates for most of the plants. Swiss and USDA authorities are cooperating to make the required changes in the Swiss inspection system.
- **Dairy Export Activity Update:** On Nov. 6-12, USDA approved subsidies facilitating the export of 1,166 metric tons of dairy products to Africa, the Middle East, and Latin America.

- **Commodity Markets In Review:** For the week ending Nov. 14, wheat prices fell on USDA's forecast of larger global supplies and good crop conditions for the 1998 wheat crop. Corn prices declined on forecast larger supplies and weaker exports. Soybean prices were supported by a rise in soybean oil and the delays in Brazil's planting for the 1997/98 crop. Cotton prices fell sharply, as USDA forecast a larger than expected 1997/98 crop. Cattle prices declined, weighed by a larger inventory of cattle on feed and seasonally weak beef demand. Cheese block prices were up slightly.

Average prices for week ending Nov. 14, 1997

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.73	-0.10	-1.10
Corn \$/bu	2.71	-0.03	0.00
Soybeans \$/bu	7.28	+0.11	+0.32
Rice \$/cwt	10.69	0.00	+0.10
Cotton c/lb	68.95	-1.17	-0.03
Steers \$/cwt	67.25	-0.50	-6.32
Hogs \$/cwt	44.65	-0.35	-9.80
Broilers c/lb	56.32	-0.70	-8.91
Cheese \$/lb	1.41	+0.01	+0.11
Butter \$/lb	1.50	+0.02	+0.86
Milk \$/cwt	12.64	-0.04	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **President's Initiative On Race:** USDA staff are providing area-wide planning assistance to the Pine Ridge Indian Reservation in South Dakota, the immediate goal being to identify resource issues on the reservation and develop a plan that will allow local people to solve local resource problems.

Secretary Glickman has selected Samuel Thornton as the new Director for the Office of Outreach, to coordinate program delivery outreach efforts through USDA.

In a lawsuit against USDA, 14 plaintiffs are purporting to represent a class of present and former African-American farmers who have claims of racial discrimination pending against the Department or whose claims of discrimination were denied by the Department between 1983 and February 1997. The class has not been certified. On Nov. 17, counsel for the government and for the plaintiffs agreed to a 30-day delay in certain procedural matters, including answering plaintiffs' complaint, filing the government's motion to dismiss and plaintiffs' motion for class certification, while the government determined what procedures it could use under the law, in an attempt to rapidly and properly adjudicate the discrimination complaints of the plaintiffs and if appropriate, conduct settlement discussions.

- **Welfare Reform Update:** USDA has given Louisiana a green light to finish implementing a new electronic debit card system for delivery of welfare and food stamp benefits, having finally resolved questions about the performance of the state's contractor.

III. NOTABLE CONGRESSIONAL ACTIVITY

- No significant news to report.

IV. SECRETARY'S SCHEDULE

- On Nov. 24, Secretary Glickman will join National Restaurant Association officers in New York City to announce the group's publication on food recovery and food safety.
- On Nov. 28, the Secretary will be on personal leave.
- On Dec. 1-3, the Secretary will be in Buenos Aires, Argentina for trade discussions.
- On Dec. 3-5, the Secretary will be in Santiago, Chile for trade discussions.

V. DEPUTY SECRETARY'S SCHEDULE

- On Nov. 20-21, Deputy Secretary Rominger will participate in the President's Council on Sustainable Development meeting in Atlanta, GA.
- On Dec. 5, the Deputy Secretary will address the California Agricultural Welfare Summit in Fresno, CA.

VI. SUB-CABINET SCHEDULE

- On Nov. 19, Acting Assistant Secretary for Administration Pearlle Reed will speak at the USDA Partnership Roundtable Conference in Annapolis, MD.

- On Nov. 20, Under Secretary for Natural Resources and Environment Jim Lyons will speak at the Hispanic Association of Colleges International Conference on Natural Resources and Cultural Heritage in Phoenix, AZ.
- On Nov. 20-23, Under Secretary for Farm and Foreign Agricultural Services August Schumacher will attend APEC ministerial and bilateral meetings in Vancouver, Canada.
- On Nov. 21, Under Secretary for Rural Development Jill Long Thompson will attend the USAID Conference, "Lessons without Borders", in Knoxville, TN.
- On Nov. 24, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins will speak at the Georgetown University School Meals Policy Forum in Washington, DC.

VII. PRESS/MEDIA INQUIRIES

Amplification

- **White House Conference On Hate Crimes:** On Nov. 10, Secretary Glickman led a breakout session, with a focus on community responses, at the White House Conference on Hate Crimes.
- **Trade, Food Safety:** On Nov. 13, Secretary Glickman spoke at the *Farm Journal* Conference in Washington, DC, where he talked on trade, food safety, and economic security on the farm. His speech was covered by *Bloomberg* and *Farm Journal*.
- **Fast Track, Climate Change, Food Safety:** On Nov. 14, Secretary Glickman spoke by telephone to the annual meeting of farm broadcasters in Kansas City, MO. His talk to the more than 200 broadcasters focused on fast track, climate change, food safety, and dairy issues.
- **The Economy:** On Nov. 17, Secretary Glickman talked about the nation's economy as the guest speaker at the Wichita, KS Chamber of Commerce.
- **Welfare-To-Work:** On Nov. 17, Secretary Glickman joined the President for the dedication of the Cessna 21st Street Facility in Wichita, KS. The project is an example of the welfare-to-work initiative, a collaborative effort of Cessna, local, state, and federal governments to help train individuals for entering the workforce and has created more than 200 jobs since 1990.

- **Climate Change, Strong Economy:** On Nov. 18, Secretary Glickman delivered the keynote address before the National Marketplace on the Environment, focusing on climate change and the Administration's commitment to a strong economy and a healthy environment, plus the important role bio-based products can play in these two goals.

Media Inquiries

- *CNN* is working on a major food safety story focusing on the food safety initiative, Hazard Analysis and Critical Control Points (HACCP), and has filmed processing operations at two plants -- Cargill/Excel in Nebraska and Perdue in Maryland.
- The week of Nov. 17, *ABC World News Tonight* is airing a series on food safety, for which Secretary Glickman was interviewed.
- *CBS* in Miami, FL is working on a story about school meals programs, the "Buy American" rule, country of origin labeling, and USDA inspection seals on fruit juice products.

VIII. FOIA REQUESTS

- No significant FOIA requests to report.

IX. WEEKEND CONTACT

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December 3, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of December 1, 1997

I. KEY DEPARTMENT NEWS

- **Secretary Glickman Travels To Argentina And Chile:** On Dec. 1, Secretary Glickman departed for Argentina and Chile. The Chile portion of the trip fulfills the commitment the President made earlier this year to have the Secretary visit Chile and launch a new U.S./Chile consultative committee on sanitary and phytosanitary issues.
- **Secretary Participates In Food Recovery Event:** On Nov. 26, Secretary Glickman, the National Restaurant Association Chief Executive Officer, and representatives of Second Harvest, Foodchain, and American Express announced the publication of *Food Donation: A Restaurateur's Guide*, the National Restaurant Association's comprehensive handbook on food recovery for restaurants. The Secretary also announced a \$120,000 grant program to promote food recovery in schools participating in the National School Lunch Program and USDA's partnership with the National Rifle Association and local hunting groups to boost donations of game to food banks.
- **USDA Holds Last Farmers' Market Of Season:** On Nov. 25, USDA held its last farmers' market of the season. Fourteen vendors participated, and 1,000 pounds of food were recovered at the market's close. About 15,000 pounds of food were recovered from all USDA markets this year, compared to last year's 3,000.
- **USDA Responds To FDA Rule To Permit Irradiation Of Meat:** USDA issued a brief statement in reaction to the Food and Drug Administration's (FDA) Dec. 2 announcement that it is publishing a rule to permit irradiation of meat, explaining that the Department "views irradiation as another weapon in the fight against pathogens that can

contaminate raw meat and poultry." USDA has worked closely with FDA in the approval process for irradiation of meat to facilitate the rapid completion of a USDA rule that spells out the procedures plants will be required to follow to irradiate meat, including ground beef, and descriptive labeling for irradiated meat products.

- **USDA Rural Housing Loan Team Receives Award:** On Dec. 2, USDA's Dedicated Loan Origination and Servicing System (DLOS) team, which processes USDA rural housing loans, was presented with a 1997 Government Technology Leadership Award.
- **States Consider Dairy Policies:** In Michigan, the legislature's Senate Agriculture Committee has approved a bill giving the state authority over certain aspects of milk pricing, but senators and representatives are stepping up their opposition.

In Pennsylvania, the Milk Marketing Board has issued a notice of emergency hearing to consider modifications in the method for establishing fluid milk prices in light of a Minnesota court order enjoining USDA from enforcing federally set premiums for fluid milk.

In New Jersey, the state department of agriculture held a public hearing on Nov. 20 to receive testimony regarding emergency action under consideration to establish a state mandated over-order price on fluid milk produced, processed, and distributed within New Jersey.

- **Rail Problems Continue:** On Dec. 3, USDA testified before the Surface Transportation Board hearing on rail service in the western United States, and presented USDA analyses of the western railroad problems indicating that service to agriculture shippers has not yet improved.
- **USDA Agency Renamed:** Secretary Glickman has approved changing the name of the Food and Consumer Service, the agency which administers USDA food assistance, back to the Food and Nutrition Service. Food and Nutrition Service became known as the Food and Consumer Service in 1994, but the name change proved confusing to the public and did not reflect the nutrition emphasis of the agency's food assistance programs.
- **Decision Announced On Helicopters In Alaska Wilderness:** On Nov. 26, the Alaska Regional Forester restricted the use of helicopter landings in congressionally designated wilderness within the Tongass National Forest. Private and commercial helicopter operations can continue outside the 5.8 million acres of Tongass wildernesses, where permitted.

- **Wildland Fire/Air Quality Draft Policy To Be Released:** A draft policy prepared by the USDA Forest Service, Department of the Interior, Department of Defense, National Association of State Foresters, Environmental Protection Agency, and state air regulators will be released to the public for review this month. The policy will stress better collaboration between states and federal agencies and implementation of new or improved smoke management programs where prescribed burning is expected to increase.
- **Commodity Markets In Review:** For the week ending Nov. 28, a pickup in export sales encouraged slight increases in wheat prices. Corn prices fell on poor export prospects. Soybean prices advanced on strong demand for protein feed. Cotton prices fell, along with the currencies of India and Pakistan, major competitors for international cotton sales. Cattle prices declined, as competition from pork intensifies.

Average prices for the week ending November 28, 1997

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.74	+0.01	-1.11
Corn \$/bu	2.73	0.00	+0.01
Soybeans \$/bu	7.13	-0.01	-0.05
Rice \$/cwt	10.69	0.00	+0.11
Cotton c/lb	67.92	-0.59	-3.35
Steers \$/cwt	66.96	-0.12	-1.01
Hogs \$/cwt	44.19	-1.11	-11.75
Broilers c/lb	56.04	-0.10	-8.95
Cheese \$/lb	1.43	+0.01	+0.13
Butter \$/lb	1.50	0.00	+0.86
Milk \$/cwt	12.78	+0.02	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **President's Initiative On Race:** On Dec. 8, Secretary Glickman will address the Professional Agricultural Workers Conference a forum in Tuskegee, AL where participants discuss improving the quality of rural life for people in the South. Hosted by Tuskegee University and supported by the University, 1890 Land Grant Institutions,

other organizations and USDA agencies, this year's conference theme is "Access and Equality Issues in Policies and Programs for Agriculture and Rural Development." Other USDA employees are scheduled to participate in the conference.

Sam Thornton has been named by Secretary Glickman as Director of the Office of Outreach, with a staff of eight.

In response to the President's One America initiative on race, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins began her Food and Nutrition Service-District of Columbia initiative to Reach Out to the African-American Community. As part of this project, Consumer Advisor Joyce Willis met with Washington ministers on Nov. 24 on the plan, "Do It Here First: How Churches Can Make Food and Consumer Service Programs Available To The Community." Future plans include meeting with the Under Secretary, and an all-day educational seminar for ministers interested in participating in the plan.

- **Welfare Reform Update:** During the period ending Dec. 2, the Food Stamp Program received requests from Connecticut, Georgia, Illinois, Maryland, and West Virginia for waiver extensions from the provisions of the welfare reform bill that limit Food Stamp Program participation to three months in any 36-month period for any able-bodied adults between the ages of 18-50 without dependents unless the individual is employed for an average of 20 hours per week or is participating in a work program. West Virginia's request was granted for 15 counties based on unemployment greater than 10 percent, and for 23 counties based on their status as designated Labor Surplus Areas for FY98; the request was denied for an additional five counties. All other requests are still under consideration.

In related news, there are two developments related to Arizona's request to waive the merit personnel requirements in the Food Stamp Act as part of the state's Works Denomination Project, and privatize Food Stamp Program certification and eligibility determinations. First, the state responded to USDA's request for clarification on a number of issues. The Health Care Finance Administration is awaiting a response on its request for clarification on a similar waiver for the Medicaid Program. Once the additional information is received, the departments will coordinate a response to the state. Second, Governor Hull has been notified by the Arizona Works Agency Procurement Board that there are problems with the project that must be resolved before the Board can forward the process of awarding a contract to a private entity.

Arkansas has submitted its final state plan to operate a Simplified Food Stamp Program for households in which all members receive Temporary Assistance for Needy Families (TANF) or a combination of TANF and Supplemental Security Income. The plan will

not increase food stamp benefit costs for the federal government; however, benefits will be reduced by 1.9 percent overall, and approximately 17 percent of households with elderly or disabled members will have benefits reduced by more than 20 percent. USDA is currently reviewing this plan.

Illinois has completed implementation of its Electronic Benefits Transfer (EBT) system. Over 416,000 food stamp households and 6,500 stores are on the system.

Texas EBT system processor Transactive Corporation claims Texas breached its contract by not paying the amount anticipated. Since the contract was awarded in 1994, Texas caseload has dropped by 39 percent, resulting in a \$17.4 million shortfall to the processor. Transactive may invoke its right to terminate the contract with 90 days notice unless the state renegotiates the contract to allow a minimum payment; the state has indicated willingness to renegotiate.

III. NOTABLE CONGRESSIONAL ACTIVITY

- No significant Congressional activity to report.

IV. SECRETARY'S SCHEDULE

- On Dec. 3-5, Secretary Glickman will be in Santiago, Chile for trade discussions.
- On Dec. 8, the Secretary will address the Professional Agricultural Workers Conference at Tuskegee University in Tuskegee, AL.
- On Dec. 12, the Secretary will join Secretary Cuomo at the USDA-Department of Housing and Urban Development Erie Canal Corridor Conference in Albany, NY.
- On Dec. 15, the Secretary is scheduled to announce the proposed rules for organic standards in Washington, DC.

V. DEPUTY SECRETARY'S SCHEDULE

- On Dec. 5, Deputy Secretary Rominger will address the California Agricultural Welfare Summit in Fresno, CA.
- On Dec. 10, the Deputy Secretary will address the Corn and Sorghum Research Conference in Chicago, IL.

VI. SUB-CABINET SCHEDULE

- On Dec. 4, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn will speak at the Farm Bureau convention in Little Rock, AR.
- On Dec. 5, Under Secretary for Farm and Foreign Agricultural Services August Schumacher will attend United States-European Union Binational Summit meetings in Washington, DC.
- On Dec. 8-9, Acting Assistant Secretary for Administration Pearlie Reed will address the Professional Agricultural Workers Conference at Tuskegee University in Tuskegee, AL.
- On Dec. 9, Assistant Secretary Dunn will present Brucellosis-free Certificates to the Iowa Department of Agriculture in Des Moines, IA.
- On Dec. 10-11, Acting Assistant Secretary Reed will speak at the National Organization of Professional Black Natural Resources Conservation Service employee's training conference in Atlanta, GA.
- On Dec. 11-14, Assistant Secretary Dunn will lead the USDA Animal and Plant Health Inspection Service delegation of the U.S.-Mexico Commission on the Prevention of Foot-and-Mouth Disease in Mexico City.
- On Dec. 12, Under Secretary Lyons will speak at the National Organization of Professional Black Natural Resources Conservation Employees training conference in Atlanta, GA.

VII. PRESS/MEDIA INQUIRIES

Amplification

- **President's Food Safety Initiative:** With the media observing, Secretary Glickman answered consumers' questions about food safety on USDA's Meat and Poultry Hotline Nov. 25. CNN filmed, followed up by more filming on Thanksgiving Day. Other media covering the Secretary and asking him questions included *The Washington Post*, *Fox*, *Bridge News*, *NBC*, *National Journal*, *Associated Press*, *Futures World News*, *Bloomberg*, *Channel Earth*, *Kansas City Star*, and *Reuters*. CNN ran several segments on the topic, "How Safe is Your Food?" The segments referred to new meat and poultry inspection rules and the number of USDA inspectors compared to previous years.

USA Today Weekend, which interviewed the Secretary a few weeks ago, will hold a cover photo shoot Dec. 10 for its upcoming special section on food safety.

Under Secretary for Food Safety Catherine Woteki participated in a panel discussion on food safety on the *Diane Rehm Show* on Nov. 25.

- **Follow-Up To White House Summit On Food Recovery:** As a follow up to the recent Summit on Food Recovery, Secretary Glickman, joined by the Chief Executive Officer of the National Restaurant Association, announced the publication of a new, comprehensive handbook that will encourage restaurants to recover and donate unused food, *Food Donation: A Restaurateur's Guide*. The Secretary's Nov. 26 food recovery event was covered by *CNN, C-Span, NBC, Fox, CONUS, AP, Reuters, Gannett News Service, Bridge News Service, Futures World News, and Channel Earth*. Prior to the event, USDA sent a public service announcement on food recovery and gleaning -- featuring Peter, Paul, and Mary -- to the 700 top-rated television stations in the nation; the announcement is endorsed by the Ad Council.
- **Climate Change Update:** On Nov. 25, Secretary Glickman issued a statement on climate change, stressing that the President is committed to building strong farm incomes and would never take any action that would seriously impair America's ability to feed itself and the world. He also said the President would not take any action that would put U.S. producers at a disadvantage in global markets.
- **President's Race Reconciliation Initiative:** On Dec. 1, Secretary Glickman discussed civil rights in an interview with *Knight Ridder*.
- **Trade, Biotechnology:** Secretary Glickman is traveling to Argentina and Chile Dec. 1-5, during which he will discuss trade and biotechnology in a speech in Argentina and trade in media availabilities in both countries.

Media Inquiries

- *Dateline NBC* inquired about USDA testing for pesticides in meat and poultry.

VIII. FOIA REQUESTS

- No significant FOIA requests to report this week.

IX. WEEKEND CONTACT

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December 10, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of December 8, 1997

I. KEY DEPARTMENT NEWS

- **Proposed Rule On Organic Standards Readied For Release:** On Dec. 15, Secretary Glickman will release proposed regulations on organic food standards, after years of development and extensive public and media interest.
- **USDA Supports Canal Corridor Initiative:** On Dec. 12, Secretaries Glickman and Cuomo will sign an agreement between USDA and the Department of Housing and Urban Development (HUD) in Johnstown, NY, supporting HUD's New York State Canal Corridor Initiative.
- **Significant Loan Funds Provided For America's Farmers:** Since the beginning of the fiscal year through Dec. 1, USDA has made 1,582 direct loans, worth \$68.9 million, and 1,043 guaranteed loans, worth \$143 million, to family farmers in rural America. In FY97, USDA provided loans and loan guarantees to 27,000 family farmers, worth over \$2.3 billion, of which over 2,600, worth \$163 million, were made to minorities and women, while beginning family size farmers received 6,200 loans and loan guarantees worth \$449 million.
- **1998 Farm Program Payments Readied:** Beginning Dec. 15, USDA will make the first half of 1998 farm program payments at the following rates per bushel: wheat, 32.5 cents; corn, 18 cents; grain sorghum, 21 cents; barley, 13 cents; oats, 1.5 cents; rice, 1.47 cents; and upland cotton, 3.935 cents per pound.
- **USDA To Host Cooperative Food Safety Research Workshop:** On Dec. 9-11, USDA will hold its 18th annual Cooperative Food Safety Research Workshop to discuss the research agenda for food safety for the coming year, including the testing of cattle and

swine for *E. coli* 0157:H7 and Bovine Immune Response to *E. coli* 0157:H7, scientific methodology, xenobiotic technology, current and potential microbiological methods, and internal cooking temperatures.

- **Lake Apopka Restoration Update:** Three Florida landowners are negotiating a Wetlands Reserve Program agreement with the St. Johns River Water Management District and USDA, a key part of the restoration and clean up of Lake Apopka.
- **Firefighting In Indonesia A Success:** Forest Service fire fighting support to Indonesia, which began in early October, was completed Dec. 2. The Indonesian government positively received the firefighting activity.
- **USDA To Release Research On Food Costs To Low-Income Households:** On Dec. 17, USDA's Economic Research Service will release a new report showing that low-income households may face higher food prices for three reasons: (1) low-income households may spend less in supermarkets -- which typically offer the lowest prices and greatest range of brands, package sizes, and quality choices; (2) low-income households are less likely to be in suburban locations where food prices are typically lower; and (3) supermarkets in low-income neighborhoods may charge higher prices than a those in nearby higher income neighborhoods.
- **USDA Prepares For Agricultural Census:** On Dec. 10-17, the National Agricultural Statistics Service will mail out of 1997 Census of Agriculture forms. A total of about 2.98 million forms will be mailed for the 1997 Census of Agriculture Survey, which will be the first time USDA will conduct the Census under legislation enacted this year.
- **USDA Official Testifies On Railroad Crisis:** Assistant Secretary for Marketing and Regulatory Programs Michael Dunn testified that agricultural shippers are bearing the brunt of Union Pacific/Southern Pacific (UP/SP) railroad's service recovery at the Surface Transportation Board latest public hearings on the Western railroad service crisis. USDA's statement showed that both BNSF railroad and UP/SP have been serving other traffic with more alacrity than grain traffic, and also rebutted remarks earlier made by UP/SP that seemed to make light of problems with grain storage. So far this year, however, USDA has approved requests for emergency storage of nearly 94 million bushels as a direct result of this crisis.
- **Village Bank Team Returns To South Africa:** In-country work on the Village Bank project of the Bi-National Commission's Agricultural Committee continued this week with a team arriving in Pretoria to work on developing a standard business plan for village banks, development of a training materials library, and assisting the national government with defining its role in the Village Bank project and the provision of agricultural credit.

- **Arkansas Declared Brucellosis-Free:** On Dec. 4, USDA presented a Brucellosis-Free Status Certificate to the Arkansas Livestock and Poultry Commission during a ceremony in Little Rock.
- **USDA Receives Technology Awards:** USDA will receive three Government Technology Leadership Awards:

The Natural Resources Conservation Service's program to prevent or minimize flooding disasters. The data gathered and shared through this program has helped community planners and decision-makers develop flood plain management studies that have saved an estimated \$12 million in flood losses.

Rural Housing Service's Dedicated Loan Origination and Service system (DLOS). DLOS will decrease the cost of servicing the USDA Rural Housing Service's \$18 billion single-family housing loan portfolio by more than \$100 million a year, while providing better customer service.

Agricultural Research Service's Computerized Irrigation System. This long-term project developed a computerized irrigation management system that is currently in use on at least 10 percent of the nation's irrigated land, saving an estimated 160 billion gallons of water and 108 million kilowatt-hours of energy annually.

- **Michigan Soil Digitizing Team Receives Hammer Award:** On Dec. 3, USDA's Natural Resources Conservation Service Soil Digitizing Team in Michigan received the Hammer Award for its efforts to streamline government and reduce costs for the taxpayer, while still providing exceptional customer service.
- **Forest Service Paper Technology Reaches Marketplace:** On Dec. 10-11, a new technology called "fiber loading" will have its first commercial application. The new process was initiated by USDA's Forest Products Laboratory in Madison, WI, that improves the printability of the finished paper and produces less sludge when it is recycled.
- **Grant Allows Elderly Woman To Remain in Own Home:** Recently, USDA's Rural Housing Service gave an elderly woman in West Virginia a Section 504 grant to install an oil-fired furnace and an air conditioning unit. Her home lacked air conditioning and her original coal-and-wood-fired furnace was located in the basement and could be accessed only from the outside. Last spring, the woman began experiencing problems breathing and had difficulty being outside. Her doctor told her to get a new heating system and to install an air conditioning system as soon as possible, but the woman lacked the financial resources to purchase these new systems. Thanks to the assistance, and the work of the local USDA staff, the woman's respiratory problems have subsided somewhat and she is able to remain in the home she has occupied for 40 years.

- **Dairy Update:** On Dec. 5, Judge Doty of the District Court for the District of Minnesota stayed the enforcement of his decision until Feb. 15, 1998. The earlier decision effectively strikes down the system of establishing premiums milk used for fluid purposes earns.

On Dec. 2, USDA's Risk Management Agency presented the proposed Dairy Options Pilot Program, a new program to provide dairy farmers protection from falling prices, to the joint annual meeting of the National Milk Producers Federation, the National Dairy Promotion and Research Board, and the United Dairy Industry Association in Orlando, FL, attended by 1,300.

From Nov. 20 through Dec. 3, USDA approved subsidies facilitating the export of 20,190 metric tons of dairy products to world-wide destinations.

- **Tobacco Update:** The 1997-98 burley tobacco marketing season began on Nov. 24, when opening day prices averaged from the low \$1.80's to a high of \$2 per pound. USDA expects that growers will market about 560 million pounds of burley tobacco, substantially less than the 880 million pounds of effective quota.

U. S. cigarette manufacturers intend to purchase 455 million pounds of flue-cured tobacco in 1998/99, 81 million pounds less than a year earlier. Based on these estimates, the 1998 flue-cured quota will be down 17 to 23 percent from last year's level.

- **Trade Update:** During the United States-European Union (EU) Summit, which took place on Dec. 7, USDA officials expressed the U.S. government's disappointment with the EU's handling of important agricultural issues; including the EU's failure to implement the U.S./EU veterinary equivalency agreement, the EU's failure to approve biotechnology agricultural products on a timely basis, and the EU directive on specified risk materials.

On Dec. 3, USDA announced \$150 million in credit guarantees under the Facility Guarantee Program for sales of U.S. capital goods and services to improve existing agriculture-related facilities and U.S. farm exports in 12 emerging markets in Mexico, Latin America, and Southeast Asia.

Venezuela issued a phytosanitary permit this week to import 1,500 metric tons of pork meat from the United States, opening the market for the first time since April 1997, an action that could help restore U.S. pork meat sales to Venezuela that historically averaged just over \$1 million annually.

Canada notified the World Trade Organization that it is extending its prohibition on the importation of honeybees from mainland United States until December 1999. Canada has prohibited the importation of honeybees from the United States since 1987, when it found the varroa mite. Canada is also concerned about the possibility of importing honeybees that have the aggressive characteristics of Africanized honeybees.

South Africa has agreed to allow entry of corn grain from the United States, opening a market with a potential value of \$70 million a year. Corn had been prohibited because of South African concerns about transmission of the bacterial disease Stewart's wilt.

- **Commodity Markets In Review:** The week ending Dec. 5, wheat prices rose as farmers' selling remains slow. Corn prices dropped as Asian export prospects diminish. Rice prices declined, as export sales slowed and prospects for the main Indonesia crop have improved. Soybean and product prices slipped, as planting progressed in South America under almost ideal conditions. Cotton prices continued their slide, pressured by canceled sales to China and lackluster export prospects elsewhere. Burgeoning meat supplies led cattle, hogs, and broiler prices down. Cheese prices were about the same as last week, while butter prices fell due to seasonal factors.

Average prices for the week ending December 5

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.76	+0.02	-0.94
Corn \$/bu	2.72	-0.01	+0.09
Soybeans \$/bu	6.99	-0.14	+0.07
Rice \$/cwt	10.69	0.00	+0.23
Cotton ¢/lb	66.14	-1.78	-5.70
Steers \$/cwt	66.16	-0.96	-2.67
Hogs \$/cwt	43.95	-0.24	-13.20
Broilers ¢/lb	55.02	-1.02	-9.91
Cheese \$/lb	1.44	0.00	+0.17
Butter \$/lb	1.25	-0.25	+0.61
Milk \$/cwt	12.64	-0.14	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **President's Initiative On Race:** On Dec. 17, Secretary Glickman will participate in a meeting with the President and small and minority farmers at the White House.

In a ceremony in Puerto Rico on Dec. 2, USDA's Farm Service Agency made a multi-year commitment to increasing the participation of Puerto Rico's socially disadvantaged rural residents in agriculture and in USDA programs, committing \$320,000 as the first installment of a multi-year outreach project directed at small farmers on the island.

Through the program, USDA will work with the University of Puerto Rico to create programs to lessen some of the financial problems and obstacles to credit which hinder limited resource farmers, with the goal to ensure that small, disadvantaged, beginning, and youth farmers participate in USDA credit programs, obtain training in farm operations and management, and receive program and technical information.

USDA agencies are developing program training for the Native American outreach personnel to be hired by Jan. 15. The American Indian Program Group, comprised of outreach program specialists from six USDA agencies, is developing program training for the four Native American outreach specialists who will be hired by the Intertribal Agriculture Council using funds provided by USDA.

On Dec. 5, Secretary Glickman announced that USDA is accepting applications for its 1890 National Scholars Program for the 1998 school year. The program is aimed at undergraduate students studying agriculture or related subjects at the 17 historically black 1890 land-grant universities.

The National Association of Food Distribution Programs on Indian Reservations has nominated 25 Native American tribal organizations for expansion of a pilot project which provides fresh produce as an alternative to canned fruits and vegetables under the Food Distribution Program on Indian Reservations. The new sites will be added throughout the fiscal year, and will potentially more than double the number of participating tribes.

- **Welfare Reform Update:** During the week of Dec. 2-9, USDA approved a request from Louisiana to extend its current waiver of work requirements for able-bodied adults without dependents for 13 parishes. In addition, USDA granted Maryland's request to add an additional county to its waiver. Both requests were granted because of high unemployment and a labor surplus in the affected counties.

On Dec. 18, Secretary Glickman will participate in a news conference with the Vice President to highlight the results of Operation Talon, a national effort that uses computer technology to reduce or eliminate food stamp fraud by matching fugitive felon records with those of food stamp participants. The project is a result of the welfare reform law.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **86 Members Of Congress Support Stay In Milk Lawsuit:** Senator Specter initiated a letter signed by 86 Senators and Representatives to Judge Doty urging him to stay the Court's order of Nov. 3, which would immediately eliminate the premiums milk used for fluid use earns in 18 of the 31 milk marketing orders. The stay is being requested pending the government's appeal of the order.

IV. SECRETARY'S SCHEDULE

- On Dec. 12, Secretary Glickman will join Secretary Cuomo at the USDA-Department of Housing and Urban Development Erie Canal Corridor Conference in Albany, NY.
- On Dec. 15, the Secretary is scheduled to announce the proposed rules for organic standards in Washington, DC.
- On Dec. 15, the Secretary will be interviewed at the D.C. Central Kitchen on food recovery on *CNBC's Charles Grodin Show*.
- On Dec. 18, the Secretary will join the Vice President for a food stamp fraud press conference in Washington, DC.
- On Dec. 19, the Secretary will attend the Inter-Agency Task Force for Food Recovery meeting at the White House.

V. DEPUTY SECRETARY'S SCHEDULE

- No major scheduling items to report.

VI. SUB-CABINET SCHEDULE

- On Dec. 10, Under Secretary for Farm and Foreign Agricultural Services August Schumacher, Jr. will attend meetings with Louisiana Agriculture Commissioner Bob Odom and Louisiana sugar producers in Baton Rouge, LA.
- On Dec. 10, Under Secretary for Research, Education, and Economics Miley Gonzalez will address the National Agricultural Education Research meeting in Las Vegas, NV.
- On Dec. 11-14, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn will lead the USDA delegation of the U.S.-Mexico Commission on the Prevention of Foot-and-Mouth Disease in Mexico City.

- On Dec. 12, Under Secretary Schumacher will participate in the District Development Conference with Rep. Goodlatte in Shenandoah Valley, VA.
- On Dec. 12, Under Secretary for Natural Resources and Environment Jim Lyons will speak at the National Organization of Professional Black Natural Resources Conservation Employees training conference in Atlanta, GA.
- On Dec. 15, Under Secretary for Food Safety Catherine Woteki will participate in a program focusing on the federal nutrition research agenda at Tufts University in Boston, MA.
- On Dec. 15, Under Secretary Lyons will speak at the Columbia River Management Conference in Seattle, WA.

VII. PRESS/MEDIA INQUIRIES

Amplification

- **Trade, Biotechnology:** Secretary Glickman traveled to Argentina and Chile Dec. 1-5, where he discussed trade and biotech in a speech in Argentina and trade in media availabilities in both countries. *Bridge, Reuters, Associated Press, and Bloomberg* covered all the Secretary's media availabilities, in addition to extensive local media.

The Secretary met with the Argentine Secretary of Agriculture Dec. 2 to sign a "Statement of Intent" to establish the United States-Argentina Consultative Committee on Agriculture, which was followed by a media availability. He pointed out that "increased trade between Argentina and the United States will mean more prosperity for our people and stronger relations for our nations," and that both nations are benefitting from "more open and fair agricultural trade."

The Secretary spoke about trade and biotechnology at a breakfast meeting given by Argentina and the United States Chamber of Commerce Dec. 3. The Secretary discussed his meeting with the Argentine Secretary of Agriculture the day before, Argentine agriculture, trade and the importance of fast-track authority for the President, the future of agriculture and biotechnology, and the President's recent trip to Argentina; the Secretary also thanked Argentina "on behalf of President Clinton," for being such a strong ally." The meeting was open to the media.

The Secretary toured Pioneer research, processing, and inspection facilities in Santiago, Chile, Dec. 4, accompanied by the media.

The Secretary and the Chilean Minister of Agriculture held a joint news conference in Santiago Dec. 5 to discuss the Consultative Committee on Agriculture.

- **President's Race Reconciliation Initiative:** Following his speech on civil rights at Tuskegee University Dec. 8, Secretary Glickman served as the host for a conversation on race with community leaders, as part of a series of informal gatherings sponsored by the President's Initiative on Race to gather ideas for addressing the issue. The *ABC*, *CBS*, and *NBC* affiliates in Montgomery, AL, *Alabama Public Television*, *Associated Press* (both print and photo), *Montgomery Advertiser* (both print and photo), the *NBC* affiliate in Birmingham, AL, *Birmingham News Print*, and the *ABC* affiliate in Columbus covered the Secretary's speech and conversation on race; print reporters included the *Associated Press* and the Birmingham and Montgomery daily newspapers.

Media Inquiries

- On Dec. 15, Secretary Glickman will be interviewed on *CNBC's Charles Grodin Show* at the D.C. Central Kitchen on food recovery.
- On Dec. 18, the Secretary will join the Vice President for a food stamp fraud press conference in Washington, DC.
- On Dec. 19, the Secretary will hold his year-end press conference on 1997 accomplishments.
- On Dec. 19, the Secretary will be interviewed by *Channel Earth* on 1997 accomplishments.
- *USA Today* requested information on the Administration's plans for FY99 food stamp funding as it relates to the loss of benefits for immigrants.
- *Boston Globe* asked if free and reduced price lunch participation has increased since the advent of welfare reform.
- *CBS Evening News* is researching the bark beetle outbreak in Alaska.
- *Associated Press* requested information about the use of private aircraft by the Forest Service for wildfire suppression.
- *New York Times* inquired about food safety issues for a series of articles beginning this month.

VIII. FOIA REQUESTS

- Several requests were received related to the Hepatitis A outbreak associated with frozen strawberries shipped by Andrew and Williamson Sales Co.: Schroeder, DeGraw, Kendall, Mayhall, DeGraw & Dickerson requested voluminous information on the investigation; Olsson, Frank and Weeda, P.C. requested copies of all documents released to the law offices of Williams & Connolly related to bids submitted on 4+1 frozen strawberry product; and Melvin Kramer, President of EpiHealth Associates, requested all of USDA files on the strawberry incident, plus information on staff "who interacted in this outbreak" and a list of all individuals who have filed FOIA requests concerning it.

IX. WEEKEND CONTACT

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December 17, 1997

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Weeks of December 15, 22, and 29, 1997

I. KEY DEPARTMENT NEWS

- **Secretary Announces New Efforts To Improve Civil Rights, Assist Small Farmers:** On Dec. 17, Secretary Glickman joined the President in a meeting with 22 farmers to discuss issues affecting small family farmers, including credit, market access and concentration, tobacco, dairy, civil rights, outreach, and complaints. The Secretary announced additional efforts to improve USDA's civil rights program and to increase assistance for small and socially disadvantaged farmers.

The FY99 budget proposal will seek full funding of \$85 million in direct farm ownership loans and \$500 million in direct farm operating loans, 86 percent more than 1998 levels, which if approved by Congress, would result in nearly 500 additional ownership loans and over 200 additional operating loans to family farmers. The Secretary also announced that the FY99 budget will request \$10 million for the Small Farmer Outreach Training and Technical Assistance Program, an increase from \$3 million in FY98.

In addition, the Secretary announced the new Associate General for Civil Rights and creation of a permanent federal advisory committee on civil rights to provide advice and recommendations to USDA. He also announced that the President has asked the White House Counsel's Office to coordinate efforts of USDA and the Department of Justice in evaluating the wide range of legal issues involved in the Department's effort to improve its civil rights record. To assist Native American tribes with emergency livestock feed assistance, USDA will also begin a new livestock feed program.

- **USDA Stops Imports Of EU Live Ruminants, Products, On BSE Concerns:** Effective Dec. 11, USDA stopped issuing import permits for live ruminants and certain ruminant products from the European Union (EU) and the rest of Europe due to risk of BSE. This action, which is comparable to internal EU restrictions, will continue until USDA scientists can assess risk and evaluate surveillance in individual nations. This action affects Austria, Denmark, Finland, Germany, Greece, Italy, Spain, and Sweden.
- **Agreement Signed On Erie Canal Corridor:** On Dec. 12, Secretary Glickman joined Secretary Cuomo in Johnstown, NY to sign an agreement on development around the Erie Canal in New York state. The partnership will facilitate economic development and technical assistance for housing, community facilities, water and waste systems, and business opportunities. USDA has committed \$75 million in the area in FY98.
- **Arkansas County Receives Funding For Safe Drinking Water:** On Dec. 11, USDA officials presented a \$6.4 million check to the Van Buren County (Arkansas) Water Association, to double the customers it serves by extending service to very low income areas in need of safe drinking water.
- **USDA To Hold First Of Four Food Safety Implementation Meetings:** On Dec. 16, USDA plans to hold the first of four Hazard Analysis and Critical Control Points (HACCP) food safety implementation meetings in Washington, DC, to brief management of large (500-plus employees) official meat and poultry establishments on how the Department will conduct inspection after the Jan. 26, 1998 deadline for HACCP/ Pathogen Reduction implementation in large plants.
- **Public To Review Sierra Nevada Wilderness Management Proposals:** The Forest Service's Pacific Southwest Region is proposing new management guidelines for more than 1 million acres of Sierra Nevada Wilderness and will release four documents for public comment in mid-December for the John Muir, Ansel Adams, Monarch, Dinkey Lakes, Desolation, Emigrant, and Mokelumne Wildernesses.
- **New York State Assembly Holds Dairy Compact Hearing:** On Dec. 3, the New York State Assembly Committee on Agriculture conducted a hearing on whether New York should join the Northeast Interstate Dairy Compact (Compact). The committee is planning to hold a second hearing, tentatively scheduled for January.
- **Surface Transportation Board Extends Emergency Railroad Order:** As the first 30-day emergency order by the Surface Transportation Board expired Dec. 4, the Board extended the order until March 15, 1998, requiring Union Pacific-Southern Pacific Railroad to cooperate with its competitors to clear train congestion in the Midwest. The

Board's ruling emphasized the lack of clear prioritization among the railroads to get the ground-stored grain moving and the Board's displeasure with the amount of infighting among the railroads. The ruling calls for increased cooperation among the railroads in four areas: Midwestern agricultural shipments; western coal movement; and congestion relief in both California and Texas.

- **Tobacco And Peanut Quotas Announced:** On Dec. 15, Secretary Glickman announced the 1998 tobacco quota at 807.6 million pounds, 16.5 percent below last year's level of 973.8 million pounds. The price support was listed at \$1.628 per pound, up from \$1.51 in 1997. The Secretary exercised his discretionary authority to reduce, by 3 percent, the severity of the quota cut called for by statutory formula.

On Dec. 15, the Secretary announced the 1998 peanut quota at 1.167 million short tons, 3 percent above last year's level.

- **Trade Update:** On Dec. 27, USDA will release a report to update trade for calendar year 1997 through October. Through September, calendar 1997 imports have been about \$2 billion over 1996, while exports have lagged 1996 by about \$3 billion, reducing the export surplus for 1997 by \$5 billion compared with the similar period in 1996.

The USDA office in Dubai projects \$23 million in export sales as a result of the buying team USDA sponsored to the 1997 National Association of State Departments of Agriculture/Food Marketing Institute U.S. Food Export Showcase held in Chicago, IL in May. The team consisted of 35 foreign buyers representing 24 companies within the five Gulf states of Bahrain, Kuwait, Oman, Qatar, and U.A.E.

From Dec. 4 through Dec. 10, USDA provided subsidies to facilitate the export of 1,351 metric tons of dairy products to destinations worldwide.

Korea has rejected several shipments of California oranges in recent months due to pesticide residues above allowable levels, threatening a market worth \$24 million annually. USDA officials are working with their counterparts in Korea to resolve the problem.

Panama, which had contracted to buy 100,000 tons of U.S. rough rice, has delayed the first two shipments and could possibly delay the outstanding 67,000 tons due to new phytosanitary import requirements which include a tolerance level on *Tilletia Barclayana*, a fungus that affects rice.

- USDA To Release Research On Food Costs To Low-Income Households:** On Dec. 29, USDA's Economic Research Service will release a new report showing that low-income households may face higher food prices for three reasons: (1) low-income households may spend less in supermarkets – which typically offer the lowest prices and greatest range of brands, package sizes, and quality choices; (2) low-income households are less likely to be in suburban locations where food prices are typically lower; and (3) supermarkets in low-income neighborhoods may charge higher prices than those in nearby higher income neighborhoods.
- Commodity Markets In Review:** The week ending Dec. 12, wheat prices fell, as export sales continued to slow and USDA forecast record global wheat production. Concerns about Asian markets led corn prices down, although rice prices remained firm. Soybean prices dropped during a volatile week, as U.S. soybean crush continued to set records, the Southern Hemisphere appears headed for a record crop, and U.S. exports appear to be slowing. Cotton prices fell as traders continue to express concern over financial turmoil in Asia, China's import policies, and the large U.S. crop.

Average prices for week ending Dec. 12

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.74	-0.02	-0.99
Corn \$/bu	2.68	-0.04	+0.08
Soybeans \$/bu	6.91	-0.08	+0.10
Rice \$/cwt	10.69	0.00	+0.23
Cotton ¢/lb	64.50	-1.64	-7.94
Steers \$/cwt	66.34	+0.18	+0.08
Hogs \$/cwt	42.75	-1.20	-12.10
Broilers ¢/lb	54.23	-0.79	-9.58
Cheese \$/lb	1.44	0.00	+0.19
Butter \$/lb	1.11	-0.15	+0.34
Milk \$/cwt	12.80	+0.16	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **President's Initiative On Race:** On Dec. 10, California USDA officials held a workshop in Fresno aimed at educating small and minority farmers about credit and program opportunities, coordinated with the University of California Cooperative Extension.

While speaking to the Professional Agricultural Workers Conference in Tuskegee on Dec. 8, Secretary Glickman introduced Sam Thornton, the new Office of Outreach Director, a major recommendation of the Civil Rights Action Team (CRAT) Report.

On Dec. 10, USDA's Acting Assistant Secretary for Administration spoke to 500 black professionals at the National Organization of Professional Black Natural Resources Conservation Service Employees Association in Atlanta, GA.

On Jan. 15, USDA employees will begin receiving civil rights training; this introductory module covers sensitivity and diversity and civil rights and EEO laws. This will kick off the first annual civil rights training, required by implementing the CRAT Report. This first training will continue throughout USDA until all Department employees have received the instruction in this module.

USDA's Natural Resources Conservation Service in Alabama has established and filled a position for a coordinator of outreach activities, responsible for facilitating and accelerating outreach efforts to underserved communities and constituents.

USDA is hiring a temporary county office employee fluent in Hmong in Fresno, CA to help USDA's Farm Services Agency communicate with Hmong farmers in the region.

- **Federal Interagency Task Force On Food Recovery To Meet:** On Dec. 19, Secretary Glickman will co-chair a meeting of the Federal Interagency Task Force on Food Recovery to Feed the Hungry. The Task Force is meeting to follow up on all participating agencies' efforts to expand on the President's Memorandum on Food Recovery to Feed the Hungry and expand on them.
- **Welfare Reform Update:** During the period ending Dec. 17, the Food Stamp Program approved requests from Georgia and Minnesota for waiver extensions from the provisions of the welfare reform bill that limit Food Stamp Program participation to three months in any 36-month period for any able-bodied adults between the ages of 18-50 without dependents unless the individual is employed for an average of 20 hours per week or is participating in a work program. The Georgia waiver was approved for one county and one city based on unemployment greater than 10 percent, and for 28 counties and six cities based on their designation as Labor Surplus Areas (LSAs). The Minnesota waiver was granted for three counties based on unemployment greater than 10 percent, and for 15 counties based on their designation as LSAs.

III. NOTABLE CONGRESSIONAL ACTIVITY

- **Decision Withdrawn On Fly Gap Project:** The Pleasant Hill District Ranger, Ozark National Forest (Arkansas), withdrew the decision to implement the Fly Gap Project which borders the Pig Trail Scenic Byway (Highway 23). Visits by the Arkansas Congressional delegation, two appeals, and newspaper articles urged USDA's Forest Service to reconsider implementation of the project. The District Ranger issued a news release thanking Arkansas' Congressional delegation for their involvement and support in facilitating discussions with the Forest and for taking time to visit the project site.

IV. SECRETARY'S SCHEDULE

- On Dec. 18, Secretary Glickman will join the Vice President for a news conference in Washington, DC to highlight the results of Operation Talon, a national effort that uses computer technology to reduce or eliminate food stamp fraud by matching fugitive felon records with those of food stamp participants.
- On Dec. 18, the Secretary will meet with Cherokee Nation Chief Byrd on issues related to Native Americans.
- On Dec. 19, the Secretary will attend the Inter-Agency Task Force for Food Recovery meeting at The White House.
- On Dec. 23-Jan. 4, the Secretary will be on personal leave.

V. DEPUTY SECRETARY'S SCHEDULE

- On Dec. 22-26, Deputy Secretary Rominger will be on personal leave.

VI. SUB-CABINET SCHEDULE

- On Jan. 8, Under Secretary for Natural Resources and Environment Jim Lyons will speak at the Western States Lands Commissioners Association Conference in Jackson, WY.
- On Jan. 12, Under Secretary for Rural Development Jill Long Thompson will speak at the Farm Bureau Women's Roundtable in Charlotte, NC.

VII. PRESS/MEDIA INQUIRIES

Amplification

- **Erie Canal Corridor Initiative:** Extensive media attention followed the signing of an agreement Dec. 12 by Secretaries Glickman and Cuomo in support of the Department of Housing and Urban Development's New York State Canal Corridor initiative. Prior to the signing ceremony, the Secretary participated in a conference call with about 36 regional print reporters from the Buffalo, Rochester, Syracuse, and Albany media markets, plus reporters from Essex, Clinton, and St. Lawrence Counties. Following the signing, there was a media availability and a community roundtable discussion, open to the media, followed by another media availability.

The speeches and media availabilities were covered by *Schenectady Daily Gazette*, *Capital District Business Review*, *Gloversville Leader Herald*, *Associated Press*, *WTEN-TV* (ABC affiliate from Albany), *WCSS* radio from Amsterdam, *Amsterdam Recorder*, *WKTV* (NBC affiliate from Utica), *WENT* radio from Gloversville, *Albany Times-Union*, *WBUG* radio from Amsterdam, *Utica Observer-Dispatch*, and *KING-TV* (NBC affiliate from Albany).

- **Organic Standards:** Media covering Secretary Glickman's Dec. 15 news conference to announce a proposed rule on standards for organic products included "Living on Earth" on *National Public Radio*, *Tribune Broadcasting*, *Bloomberg*, *Food and Drink Weekly*, *Associated Press*, *CNN*, *ABC*, *Feedstuffs*, *Nature*, *Agence France Presse*, *Natural Foods Merchandise*, *Farm Progress*, *Dow Jones*, *Futures World News*, *Bridge News*, *Fox*, *Food Insight*, *Food Safety Net*, *Organic Gardening*, *Channel Earth*, *Pacifica*, *Rodale Press* (publishes *Prevention*), *CBS*' "Market Watch," *Fairchild*, *CBS News*, *Conus*, *Washington Post*, *Scripps Howard*, *Nutrition Week*, *Environmental Media*, *The Nation*, *Cox Broadcasting*, *NBC*, *Gannett*, *Reuters*, *Gene Exchange*, *Knight Ridder*, *Washington Times*, *BNA's World Food Regulation Review*, and other trade press.

Following the news conference, USDA held a briefing for interested constituent groups. On Dec. 15, *New York Times* ran a favorable article on the front page. Following Deputy Secretary Rominger's speech to the 52nd Annual Corn and Sorghum Research Conference in Chicago, IL on Dec. 10 on "The Role of USDA in Positioning U.S. Agriculture for Exporting Transgenic Products," he was interviewed on organic standards by *Channel Earth*.

- **White House Summit On Food Recovery:** On Dec. 15, Secretary Glickman was interviewed about anti-hunger efforts for the *Charles Grodin Show*; actors Jeff and Beau Bridges participated in the program. On Dec. 6, *Las Vegas Sun* ran a lengthy story on a new local food recovery effort that quoted USDA's Coordinator of Food Recovery and Gleaning.

On Dec. 6, *Philadelphia Inquirer* ran an editorial praising the National Restaurant Association for working to promote food donations from restaurants (a follow up from Secretary Glickman's news conference with the National Restaurant Association announcing the guidebook on food recovery). On Nov. 29, *Atlanta Constitution* ran a story about Delta Airline's new food donation policy.

Media Inquiries

- On Dec. 18, Secretary Glickman will be interviewed by *C-Span* on food safety issues.
- On Dec. 18, the Secretary will be interviewed by the *Kansas City Star* for a profile story.
- On Dec. 19, the Secretary will hold a year-end press conference to talk about 1997 Administration accomplishments at USDA. The Secretary will hold a year-end interview with Orion Samuelson for *Channel Earth*.
- On Dec. 14, *National Public Radio's All Things Considered* aired a program about the Standard Reinsurance Agreement and reinsurance companies.
- USDA's Foreign Agricultural Service fielded numerous inquiries about Korea's potential participation in the GSM Export Credit Guarantee program. Callers included most of the major wire services, *Idaho Statesman*, and *PBS Nightly Business Report*.
- Under Secretary for Food Safety Catherine Woteki and Administrator Thomas J. Billy were interviewed by *Consumer Reports* for an article about the safety of poultry scheduled to be run in the spring.
- *ABC 20/20* called the Okanogan National Forest, Pacific Northwest Region, for information about the Washington Pass Project, which includes an expensive restroom. The inquiry was follow-up to publicity on the National Park Service's expensive outhouse. Interest on the Washington Pass Project was sparked by recent media stories in Washington state.
- *CNBC* is investigating the use of explosives for different types of forest management.

VIII. FOIA REQUESTS

- *KARK-TV* in Little Rock, AR requested copies of process deficiency records issued to Tyson Foods, IBP foods, ConAgra and Butterball and for a listing of the number of complaints filed by individuals or organizations in Arkansas for rotten or spoiled meat in the past 12 months.

- The National Boiler Council requested documentation on a *Federal Register* proposal to permit Mexico to export poultry products to the United States and for a listing of the 26 plants in France reapproved to export poultry products to the United States.

IX. WEEKEND CONTACT

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