



United States  
Department of  
Agriculture

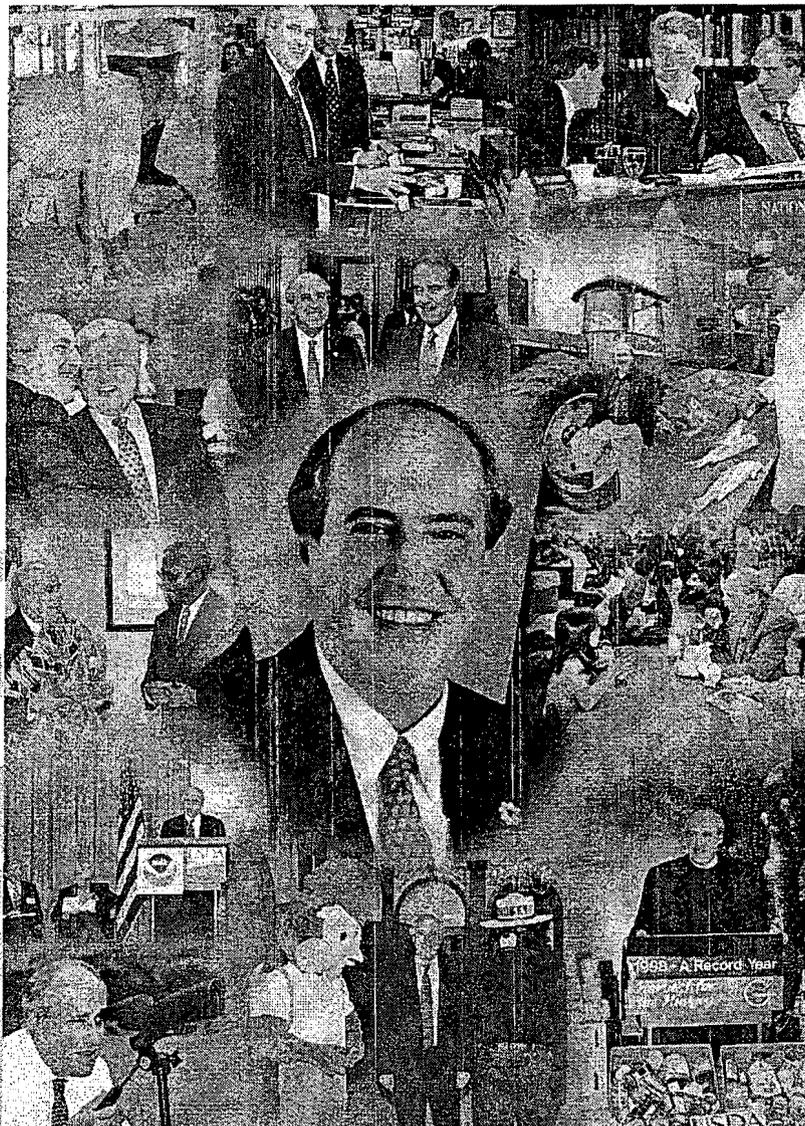
Office of the  
Secretary

December 2000

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

Weekly Reports from the  
Secretary of Agriculture  
to the White House

January 7, 1998-December 16, 1998



January 7, 1998

MEMORANDUM FOR THE PRESIDENT

**THROUGH: THE HONORABLE ERSKINE BOWLES**

**FROM: SECRETARY DAN GLICKMAN**

**SUBJECT: Reports for Week of January 7, 1998**

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**I. KEY DEPARTMENT NEWS**

- **Secretary Gives Keynote Address At Oxford Farming Conference:** On Jan. 7, Secretary Glickman was the keynote speaker at the Oxford Farming Conference in Oxford, England. Other speakers included European Union Agriculture Commissioner Franz Fischler and United Kingdom Minister of Agriculture Jack Cunningham.
- **USDA Provides \$1 Billion Credit Package To Korea:** On Dec. 22, USDA announced a \$1 billion credit guarantee package for the Republic of Korea to facilitate exports of U.S. agricultural products. \$350 million has been allocated to corn and soybean meal sales, \$200 million to cotton, \$150 million to wheat, \$100 million each to soybeans and other commodities, and USDA will hold \$100 million in reserve.
- **Tyson Foods, Inc. Pleads Guilty:** On Dec. 29, Tyson Foods, Inc. entered a one-count guilty plea in U.S. District Court for the District of Columbia for giving former Secretary of Agriculture Espy over \$12,000 in gratuities in 1993 and 1994. Under plea terms, Tyson Foods agreed to make a \$4 million payment for the criminal fine and a \$2 million payment for Office of the Independent Counsel (OIC) investigation costs. In addition, Tyson Foods, USDA, and OIC entered into a compliance agreement which provides, generally, that in lieu of debarment and withdrawal of inspection and grading service by USDA, Tyson Foods will establish an Ethics Compliance Committee and implement a Corporate Code of Conduct and Compliance Policy. Tyson Foods will provide USDA quarterly reports detailing steps it has taken to conform to the terms of the compliance agreement.
- **USDA Provides Help To Farmers And Ranchers Hit By Southwest Snowstorms:** USDA is providing cost-share assistance to ranchers in New Mexico to pay for the expenses they incurred in bringing feed to the estimated 200,000 head of cattle and sheep that were stranded following successive snowstorms and severe temperatures which hit the region Dec. 23-25.

- **Guam Receives Emergency Assistance:** As of Dec. 28, USDA had approved more than 22,500 applications for over \$7 million in emergency food stamp assistance following Typhoon Paka in Guam. USDA is also working to provide housing assistance to about 25 families left homeless by the typhoon.
- **USDA Launches Pilot Program For Dairy Farmers:** On Jan. 6, USDA announced the preparation of an innovative program to help dairy farmers protect themselves from adverse prices. The new program, to begin in spring 1998, was developed by USDA's Risk Management Agency, the Coffee, Sugar, and Cocoa Exchange, and the Chicago Mercantile Exchange. It will provide farmers in six counties in six states with options to hedge between 200,000 and 600,000 pounds of their production. USDA will pay all transaction costs and 80 percent of the options premium.
- **Support Price For Milk Reduced:** On Dec. 31, as required by the 1996 farm bill, USDA reduced the support price for milk to \$10.05 per cwt, down \$0.15 per cwt from the 1997 price.
- **USDA Prepares To Implement New Meat And Poultry Inspection Rules:** To assist large meat and poultry plants to comply with new Hazard Analysis and Critical Control Points (HACCP) food safety regulations that go into effect Jan. 26, USDA's Food Safety and Inspection Service Technical Service Center will operate a HACCP Hotline beginning Jan. 20. Trained specifically to address HACCP technical implementation questions and concerns, the HACCP Hotline team will answer telephone and FAX inquiries to the Hotline and is preparing a system for E-mail inquiries.
- **USDA Provides Housing Assistance:** As of Dec. 16, USDA has provided \$83 million in direct single family housing loans, housing 1,690 families and creating 1,410 construction and related jobs in FY98 and guaranteed \$416 million in single family housing loans, housing 6,030 families and creating 6,200 construction and related jobs. In the same period, USDA has provided \$7.7 million to help 1,670 families and elderly people complete vital improvements to make their homes decent, safe, and sanitary.
- **USDA Helps Create Rural Jobs:** From Oct. 1 through Dec. 18, 1997, USDA has provided 177 rural business direct and guaranteed loans and grants totaling nearly \$211.2 million, creating 2,711 jobs, and saving 3,674 jobs.
- **USDA Finances Community Facilities In Rural Communities:** From Oct. 1 to Dec. 24, 1997, USDA provided over \$16.2 million in financing for 48 rural community facility projects.

- Commodity Markets In Review:** The week ending Jan. 2, large global wheat supplies and excellent prospects for the 1998 U.S. winter wheat harvest led prices down. Corn prices were mixed, rising slightly on slow farmer sales, while futures fell on limited sales to Asia. Rice prices remained firm. Soybean prices fell slightly on ideas of bigger South American crops and lagging demand for soybean meal. Cotton prices weakened on concerns about Southeast Asia and large uncommitted supplies in the United States and Central Asia. Steer futures prices fell as a result of many cattle in feedlots, and hog prices continue to be pressured by large supplies. Strong cheese prices in December led to a rise of 33 cents per cwt in the Basic Formula Price for the month of December.

Average prices for the week ending Jan. 2

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.49	-0.03	-0.91
Corn \$/bu	2.56	+0.01	+0.05
Soybeans \$/bu	6.66	-0.01	-0.22
Rice \$/cwt	10.69	0.00	+0.23
Cotton c/lb	63.80	-0.56	-7.32
Steers \$/cwt	64.68	+0.68	-1.86
Hogs \$/cwt	34.38	-1.95	-19.81
Broilers c/lb	54.22	+0.37	-9.02
Cheese \$/lb	1.43	0.00	+0.15
Butter \$/lb	1.04	-0.03	+0.24
Milk \$/cwt	13.11	+0.01	NA

## II. USDA WORK ON PRESIDENTIAL INITIATIVES

- Welfare Reform Update:** During the Dec. 1-31 period, USDA approved requests from Alabama, Arkansas, the District of Columbia, Illinois, Louisiana, Rhode Island, and Tennessee to extend and modify their waivers from the provisions of the welfare reform bill that limit the food stamp program participation to three months in any 36-month period for any able-bodied adults between the ages of 18 and 50 without dependents unless the individuals are employed for an average of 20 hours per week or are participating in a work program.

- **USDA Fines New York State For Improper Food Stamp Benefits:** USDA billed the state of New York \$3.4 million for New York City's failure to cut off food stamps to about 40,000 immigrants in September as required by statute.
- **State-Funded Nutrition Programs Update:** USDA gave Illinois conditional approval to provide a state-funded nutrition program to qualified children, elderly, or disabled aliens, beginning Jan. 1. Texas plans to provide state-funded benefits by February. Colorado and Indiana are working on their own programs.
- **National Centers Of Excellence Update:** Under USDA's National Centers of Excellence Initiative, funded through the Secretary's Fund for Rural America, USDA will enter into a two-year partnership with four colleges -- Heritage College (Washington), University of Texas, Pan American, Mississippi Valley State, and Somerset Community College (Kentucky) -- and rural communities with Empowerment Zone/Enterprise Community designations, to provide strategic planning, technical assistance, leadership training, and connectivity to information resources to the communities.
- **USDA Assists California Empowerment Zones/Enterprise Communities:** On Dec. 18, USDA presented \$3.32 million to Oliphant and Williams Associates, Inc. to construct a new 10-screen, state-of-the-art theater in Calexico, CA, in the Imperial Valley Enterprise Community. Also in Calexico, USDA loaned over \$1.89 million to the Garcia Family Trust for real estate refinancing, saving 45 jobs. USDA awarded more than \$3.75 million to Equus-Watsonville in Watsonville, CA for development of a new 95-unit motel to bring significant revenues to the community, foster tourism, and create 13 jobs. On Dec. 17, the County of Riverside and the Coachella Valley Housing Coalition celebrated the ground-breaking on Phase I of the Las Manitas migrant farm labor housing complex, whose 11 units will open May 1, housing a minimum of 88 people.

### III. NOTABLE CONGRESSIONAL ACTIVITY

No significant congressional activity to report.

### IV. SECRETARY'S SCHEDULE

- On Jan. 7, Secretary Glickman addressed the Oxford Farming Conference and met with European Union Agriculture Commissioner Franz Fischler in Oxford, England.
- On Jan. 12, the Secretary will address the American Farm Bureau Federation annual meeting in Charlotte, NC.

## **V. DEPUTY SECRETARY'S SCHEDULE**

- On Jan. 13, Deputy Secretary Rominger will speak before the American Farm Bureau Federation annual meeting in Charlotte, NC.
- On Jan. 15, the Deputy Secretary will address the National Association of Wheat Growers annual convention in San Diego, CA.

## **VI. SUB-CABINET SCHEDULE**

- On Jan. 7, Under Secretary for Farm and Foreign Agricultural Services August Schumacher spoke at the Montana Governor's Conference on Agriculture in Great Falls, MT.
- On Jan. 8, Under Secretary Schumacher will be a panelist at the Market Place '98 Rural Development Conference in Bismarck, ND.
- 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. 9, Under Secretary for Food, Nutrition and Consumer Services Shirley Watkins will be a co-presenter with Rep. Clayton at the North Carolina School Meals/Small Farmers Initiative Town Hall Meeting in Greenville, NC.
- On Jan. 9, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn will attend the Local Producers and Schools Coming Together town hall meeting in Greenville, NC.
- On Jan. 12, Under Secretary for Research, Education, and Economics Catherine Woteki will speak to members of the Council of the Institute of Medicine in Washington, DC.
- On Jan. 12, Under Secretary Lyons will present the USDA Natural Resources Conservation Service Hammer Award in Salt Lake City, UT.
- On Jan. 12, Under Secretary for Rural Development Jill Long Thompson will participate in a roundtable discussion with Farm Bureau Women in Charlotte, NC.
- On Jan. 13 and 15, Under Secretary Lyons will speak at the Partners' Outdoors VII Conference in Lake Buena Vista, FL.
- On Jan. 14-15, Under Secretary Schumacher will address "Green Week" and participate in events associated with Green Week in Berlin, Germany.

- On Jan. 18-24, Under Secretary Schumacher will meet with various officials in Indonesia, Hong Kong, Korea, and Japan.
- On Jan. 21-23, Assistant Secretary Dunn will attend the International Poultry Expo in Atlanta, GA.
- On Jan. 27, Under Secretary Long Thompson will speak at the Rural Women's Regional Conference and statewide annual meeting in Seattle, WA.

## VII. PRESS/MEDIA INQUIRIES

### Amplification

- **Trade:** On Jan. 7, Secretary Glickman delivered a speech to the Oxford Farming Conference in England, stressing to the international audience the importance of staying the course on more free, fair, and open trade in the midst of the current turbulence.
- **President's Economic Accomplishments:** On Jan. 12, Secretary Glickman will discuss the President's economic accomplishments and the year ahead for agriculture in a speech at the American Farm Bureau Federation's annual meeting in Charlotte, NC.
- **President's Commitment To Food Safety:** Secretary Glickman will discuss the Clinton Administration's commitment to food safety at the memorial event marking the fifth anniversary of the Pacific Northwest *E. coli* outbreak. The Jan. 18 event is sponsored by Safe Tables Our Priority (STOP), a consumer food safety group begun by the parents of the children.
- **President's Race Reconciliation Initiative, Rural Initiative:** On Jan. 30, Secretary Glickman will cover such topics as civil rights, rural economics, and small farms at the Conference on Rural Life at the University of Arkansas.

### Media Inquiries

- No significant media inquiries to report.

## VIII. FOIA REQUESTS

- No significant FOIA requests to report.

## **IX. WEEKEND CONTACT**

**Greg Frazier**

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January 14, 1998

**MEMORANDUM FOR THE PRESIDENT**

**THROUGH: THE HONORABLE ERSKINE BOWLES**

**FROM: SECRETARY DAN GLICKMAN**

**SUBJECT: Report for Week of January 12, 1998**

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**I. KEY DEPARTMENT NEWS**

- **Secretary Glickman Raises Concerns With Canada's Agricultural Minister:** On Jan. 13, Secretary Glickman met with Lyle Vanclief, Canada's recently appointed agricultural minister in Washington, DC on bilateral agricultural trade issues, including Canadian shipments of wheat into the United States.
- **USDA Prepares For New Food Safety System:** On Jan. 14, USDA Food Safety officials held the second of four public meetings on HACCP (Hazard Analysis and Critical Control Points) food safety implementation in Des Moines, IA, and will hold additional meetings on Jan. 16 in Denver, CO and Jan. 21 in Memphis, TN. Although the meetings are open to all, they are targeted toward management of large (500-plus employees) meat and poultry plants, which will, effective Jan. 26, become the first facilities regulated under the new inspection system.
- **USDA Responds To Northeast Ice Crisis:** USDA officials are participating in county emergency disaster teams and arranging for generators to provide additional power for residents and livestock operators, particularly dairy farmers. As of Jan. 12, USDA began distributing emergency food to qualifying households in New York and providing food for congregate meals in Maine. USDA Rural Development officials are surveying damage to USDA-assisted housing, water and sewer, and community facilities throughout the region.
- **USDA Provides Aid To Damaged Islands:** USDA has awarded \$175,000 to aid farmers in Guam and the Northern Mariana Islands, under the Emergency Conservation Program, to recover from damage from Typhoon Paka; the funds will help farmers pay to remove debris, grade farmland, repair structures, and restore fences. To date, USDA has provided \$8.4 million in emergency food stamp benefits to 27,218 recipients.

- **USDA Officials To Assess Asian Credit Conditions:** On Jan. 12-22, USDA's Under Secretary for Farm and Foreign Agricultural Services August Schumacher and Foreign Agricultural Service Administrator Lon Hatamiya will travel to Asian countries to meet with local government officials, importers, and banking representatives in Thailand, Malaysia, Indonesia, Singapore, Hong Kong, Korea, and Japan. The focus of the trip will be on the effects of the economic crisis on agriculture in these countries and the newly announced USDA export credit guarantees available for Southeast Asia and Korea.
- **Export Credit Guarantees Increased For Thailand, Indonesia, Philippines:** On Jan. 5, USDA increased export credit guarantees from \$100 million to \$300 million for Thailand, from \$20 million to \$100 million for the Philippines, and from \$250 million to a new total allocation of \$400 million for Indonesia.
- **USDA Amends Supplier Credit Guarantees For FY98:** On Jan. 5, USDA increased its Supplier Credit Guarantee Program allocation to \$50 million for the Southeast Asia Region -- Indonesia, Malaysia, the Philippines, Thailand, and Singapore; the program finances construction of facilities in importing countries to increase shipments of U.S. agricultural commodities.
- **USDA Finances Rural Economic Development Projects:** On Jan. 15, USDA will announce Rural Business Enterprise Grants for 10 projects totaling over \$1.2 million, saving or creating 500 jobs.
- **USDA Provides Credit To Help Farmers:** Thus far this fiscal year, USDA has made 2,933 direct loans, worth \$142 million, and 1,724 guaranteed loans, worth \$238 million, many of which went to minority and beginning farmers, to help farmers operate and expand their operations. Last year, USDA provided \$2.3 billion, to 27,000 family farmers, including over 2,600 loans worth more than \$163 million to minority and women producers and 6,200 loans and loan guarantees valued at \$449 million to beginning family-size farmers.
- **USDA Solicits Comments Electronically:** USDA has a potential first in its use of the Internet to solicit comments on a proposed rule defining the term "organic." The proposal has attracted nearly 900 comments in less than two weeks -- 90 percent of which came in over the Internet.
- **U.S./Baltics Republics Sign Agreement On Cooperation In Agriculture:** On Jan. 14, USDA signed a memorandum of understanding on cooperation in agricultural science and agribusiness programs between USDA and the Baltics Republics of Estonia, Latvia, and Lithuania.

- **Dairy Export Subsidies Approved:** On Dec. 31-Jan. 7, USDA provided subsidies to facilitate the export of 184 metric tons of dairy products to locations in Africa, the Middle East, and Latin America.
- **Government-Wide Food Drive Launched:** On Jan. 7, USDA hosted the kickoff meeting for its government-wide food drive, being held through Jan. 30.
- **Commodity Markets In Review:** For the week ending Jan. 9, wheat prices fell, pressured by abundant world supplies and tepid demand. Corn prices declined on continued concern over sluggish exports. Rice prices suffered from heavy deliveries and worries over the financial crisis in Southeast Asia. Soybean prices dropped on slowed crush and export sales. Cotton prices continued their downward spiral on very poor export sales and a bearish USDA crop report issued on Jan. 9. Steer and hog prices fell as meat supplies remain burdensome, but broilers recovered slightly. Butter and cheese prices held steady, so far avoiding seasonal declines.

Average prices for the week ending Jan. 9

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.44	-0.05	-1.08
Corn \$/bu	2.52	-0.04	0.00
Soybeans \$/bu	6.59	-0.07	-0.29
Rice \$/cwt	10.69	0.00	0.25
Cotton ¢/lb	63.93	0.13	-6.15
Steers \$/cwt	63.94	-1.05	-1.31
Hogs \$/cwt	33.50	-0.88	-19.50
Broilers ¢/lb	54.41	+0.19	+9.44
Cheese \$/lb	1.43	0.00	+0.15
Butter \$/lb	1.04	0.00	+0.24
Milk \$/cwt	12.99	-0.12	NA

## II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Food Safety Initiative Update:** On Jan. 18, Secretary Glickman will speak at a memorial service by Safe Tables Our Priority (STOP) at the First United Methodist Church at The Chicago Temple in Chicago, IL. The memorial service will commemorate the 1993 *E. coli* O157:H7 outbreak on the West Coast and mark the founding of STOP. The themes of the service are: Remember, Respect, and Resolve; the Secretary will address the topic of "Resolve" with an inspirational message to renew STOP's commitment to food safety. A Lutheran minister will talk about grief and healing. Reverend Louis Clark, executive director of the Government Accountability Project, will speak on business and social responsibility. Families of victims of foodborne illness and survivors will attend the memorial service.
- **President's Initiative On Race:** Professor John Hope Franklin of Duke University has requested copies of a journal article, "The Inequality Process and the Distribution of Income to Blacks and Whites," written by a USDA analyst and published in the Journal of Mathematical Sociology in 1992.

On Jan. 2, USDA officials met with Hmong representatives in Fresno, CA to discuss outreach efforts to the community, in support of USDA's broad outreach effort to Hmong farmers in California, Minnesota, and New England.

USDA is developing a memorandum of understanding (MOU) with the Standing Rock Sioux Nation in North and South Dakota on the handling of cultural resource responsibilities to develop compliance procedures to allow for the installation of ground-disturbing conservation practices within the reservation boundaries. The MOU will serve as a framework for the development of agreements between USDA and the other tribes, and as the basis for developing future agreements with other federal agencies whose programs may affect tribal cultural resources.

## III. NOTABLE CONGRESSIONAL ACTIVITY

- No significant congressional activity to report this week.

## IV. SECRETARY'S SCHEDULE

- On Jan. 15, Secretary Glickman will brief consumer and producer groups on food safety issues, specifically Hazard Analysis and Critical Control Points (HACCP). HACCP implementation begins Jan. 26.
- On Jan. 18, the Secretary will participate in a food safety event with Safe Tables Our Priority (STOP) in Chicago, IL. This date is the anniversary of the Jack In The Box food safety scare.

- On Jan. 19, the Secretary will participate in a Martin Luther King Day event in Chicago, IL.

#### **V. DEPUTY SECRETARY'S SCHEDULE**

- On Jan. 15, Deputy Secretary Rominger will address the National Association of Wheat Growers annual convention in San Diego, CA.

#### **VI. SUB-CABINET SCHEDULE**

- On Jan. 15, Chief Information Officer Anne Reed will speak at the Association of Government Accountants' 1998 Federal Leadership Conference in Washington, DC.
- On Jan. 16, Under Secretary for Food, Nutrition and Consumer Services Shirley Watkins will attend a Child Nutrition Roundtable in Memphis, TN.
- On Jan. 17, Under Secretary Watkins will participate in a Race Initiative Roundtable in Memphis, TN.
- On Jan. 18-24, Under Secretary for Farm and Foreign Agricultural Services August Schumacher will meet with various officials in Indonesia, Hong Kong, Korea, and Japan.
- On Jan. 20, Under Secretary Woteki will address the United Egg Producers and the U.S. Egg and Poultry Association board of directors in Atlanta, GA.
- On Jan. 21, Under Secretary Woteki will participate in the final public meeting on HACCP implementation in Memphis, TN.
- On Jan. 21-23, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn will speak at the International Poultry Expo in Atlanta, GA.
- On Jan. 28, Chief Information Officer Reed will be a panelist on Year 2000 issues and the Enterprise Network at the Comnet Conference in Washington, DC.

## VII. PRESS/MEDIA INQUIRIES

### Amplification

- **Climate Change, Trade:** On Jan. 12, Charlie Rawls, executive assistant to Deputy Secretary Rominger, discussed how climate change may affect U.S. agriculture, the current status of treaty negotiations, and the opportunities for the agricultural sector to participate in activities to help meet the U.S. greenhouse gas reduction goals before the American Farm Bureau Federation's annual meeting in Charlotte, NC.
- **Trade/Meeting With Canadian Agricultural Minister:** On Jan. 13, Secretary Glickman met with the Canadian agricultural minister to discuss trade issues, including grain, timber, and the World Trade Organization. Following the meeting, a media availability was held with in-house and Canadian reporters.
- **President's Commitment To Food Safety:** On Jan. 18, Secretary Glickman will discuss the Administration's commitment to food safety at a memorial event sponsored by the consumer food safety group, Safe Tables Our Priority (STOP), marking the fifth anniversary of the Pacific Northwest *E.coli* outbreak.
- **Trade, Exports:** On Jan. 19, Paul Drazek, special assistant to the Secretary on trade, will speak on the importance of trade to American agriculture and other trade issues at the annual meeting of the National Council of Farmer Cooperatives in Orlando, FL. The speech may be followed by a media availability. On January 21, he will speak on efforts by the Administration to remove barriers to U.S. exports of poultry products around the world at the annual meeting of the Broiler Council in Atlanta, GA.
- **Civil Rights (Small Farms):** On Jan. 22, Secretary Glickman will hold a news conference to release the Small Farms Commission report.

### Media Inquiries

- On Jan. 15, Secretary Glickman will be interviewed on the *Jim Lehrer NewsHour* on the proposed rule on organic standards.
- The Asian *Wall Street Journal* has requested interviews with the U.S. Agricultural Counselor in Beijing on U.S. chicken paw exports to China, and with a USDA official on plans for U.S. poultry advertising in Hong Kong using Market Access Program funds.
- *Essence* magazine requested background on the Food Stamp Program in general, and the number of food stamp participants without children and the racial composition of participants in particular.

- *Congressional Quarterly* requested general information on the Food Stamp Program, and an estimate for the dollar amount of benefits involved in fraud; information about the number of immigrants expected to lose benefits; and information about which states are developing their own programs to help immigrants who are losing benefits.
- *CNN* asked what percentage of immigrants expected to lose food stamp benefits are children (17 percent), what percent elderly (17 percent), and what percent disabled (no estimate).
- *CBS* requested an interview on milk pricing.

### **VIII. FOIA REQUESTS**

- No significant FOIA requests to report this week.

### **IX. WEEKEND CONTACT**

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January 21, 1998

**MEMORANDUM FOR THE PRESIDENT**

**THROUGH: THE HONORABLE ERSKINE BOWLES**

**FROM: SECRETARY DAN GLICKMAN**

**SUBJECT: Report for Week of January 19, 1998**

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**I. KEY DEPARTMENT NEWS**

- **Secretary To Accept Small Farms Commission Report:** On Jan. 22, Secretary Glickman will accept the report of the Small Farms Commission, chaired by former Rep. Harold Volkmer, which was formed in response to a recommendation by USDA's Civil Rights Action Team. The report contains 146 recommendations. Deputy Secretary Rominger will lead an interagency team to develop an integrated Departmental strategy to help small farmers in response to the report.
- **Forest Service Protects Roadless Areas, Launches Road-Policy Review:** On Jan. 22, the Forest Service will announce proposals for revamping the policies and regulations under which the extensive roads system of the national forests are governed. During development of this initiative, the Forest Service Chief will propose, through a draft interim regulation, to stop all roadbuilding in most areas of our forests that are presently not roaded. The forests of the Pacific Northwest forest plan are exempt from the interim moratorium as well as three other forests that have had their plans recently revised, because the plan already requires extensive scientific and environmental analysis before entering roadless areas. The interim moratorium will not apply to the Tongass National Forest and five other forests with recently revised plans.

Decisions on whether to build roads in roadless areas in these forests will be made during the normal appeals process. The Forest Service will hold public forums over the next 30 days on the proposal, which has already generated intense media and congressional interest which will continue when Congress returns and which may produce a legislative response opposing this initiative.

- **Dairy Developments:** On Jan. 23, Secretary Glickman will hold a news conference to announce the Administration's dairy proposal.

On Jan. 20, the U.S. Court of Appeals in the District of Columbia upheld a lower court's decision that rejected a challenge to USDA's implementation of the New England Interstate Dairy Compact. Meanwhile, the New York State Senate Agriculture Committee approved a bill on Jan. 13 that would make New York a Compact member.

From Jan. 8 through Jan. 14, USDA provided subsidies to facilitate the export of 1,313 metric tons of dairy products to destinations world-wide.

- **USDA Trade Team In Asia Studying Currency Crisis:** USDA's Under Secretary for Farm and Foreign Agricultural Services is heading a trade team of senior USDA officials to Asia to meet with various officials in Indonesia, Hong Kong, Korea, and Japan. The team reports progress in generating interest in the Department's export credit guarantee program and is promoting U.S. agricultural products in meetings with foreign buyers and government officials.
- **Indonesian Reforms Could Boost U.S. Wheat:** Despite the current currency crisis, Indonesia has reduced tariffs on wheat flour imports and lifted BULOG's -- the internal, Indonesian wheat milling monopoly -- monopoly distribution of flour effective April 1, steps that USDA projects will increase exports of U.S. wheat to both Indonesia and third-country millers who sell flour to Indonesia.
- **WTO Appellate Body Split On EU Hormone Ban:** On Jan. 16, the World Trade Organization (WTO) Appellate Body released its report upholding the August 1997 panel report findings that the European Union's ban on beef imports raised with growth hormones is inconsistent with the EU's WTO commitments. However, the Appellate Body reversed several panel findings with respect to specific sanitary and phytosanitary commitments; USDA and USTR are studying the implications of the report.
- **USDA Continues Assistance To Northeast Ice Storm Victims:** In New York, to date, USDA has provided \$99,000 of food to local food pantries for distribution to more than 3,000 households and 240,000 pounds of food to disaster relief agencies. USDA will release food assistance to Maine once state officials identify their specific needs. Forest Service personnel are providing tree-clearing assistance and logistical and damage assessment support.
- **USDA To Aid Tennessee Counties Hit By Floods:** On Jan. 21, USDA will provide two Carter County, TN utility districts (Hampton, \$5,000; Roan Mountain, \$28,960) assistance from USDA's Emergency Community Water Assistance Grant program.
- **USDA Withholds Inspection From Arkansas Tyson Poultry Plant:** Based on a year-old pattern of system failures in sanitation and the prevention of fecal contamination, on Jan. 14, USDA withheld inspection from Tyson Food Service in Waldron, AR, effectively halting operations.

- **Japan Finds Positive Result For *E. coli* In Beef Shipped From Chicago:** Japanese officials have found *E. coli* 0157:H7 in partially defatted chopped beef shipped last October and November from HRR Enterprise in Chicago, IL. However, HRR Enterprise has not confirmed the results but has notified U.S. distributors not to use the Nov. 5 product and to return it.
- **USDA Aids Rural Economic Growth:** In the first quarter of FY98, USDA's Rural Business Service financed 301 business projects through loans and grants totaling over \$316 million, creating and saving 9,493 jobs. In the same period, USDA has provided nearly \$20.4 million to 61 recipients to finance rural community facilities. USDA's Rural Housing Program has created 10,005 jobs and housing for 12,954 families through \$685.9 million in financing since Oct. 1. USDA has also made 60 rural electric loans for \$350 million during the same period.
- **USDA Studies Salmon Protection Plan:** USDA is working with Washington State officials to develop a Conservation Reserve Enhancement Program (CREP) to help protect and restore salmon habitat in the state by enrolling up to 100,000 acres in the program by creating 150-foot-wide riparian buffers. Under the proposal, which is similar to a recently announced CREP initiative in Maryland, Washington State will provide farmers payments equal to 70 percent of the annual Conservation Reserve Program rental payments that USDA will provide.
- **USDA Recovers Fraudulently Made Crop Insurance Payments:** USDA has recovered \$194,383, plus interest, from an Oklahoma farmer who filed fraudulent crop insurance claims.
- **USDA Releases Spanish Nutrition Education Handouts:** Early this month, USDA shipped 5,106 Spanish versions of its nutrition education posters and 158,526 sets of handouts to state and local food stamp offices and partners. The posters were developed by USDA's Nutrition Poster Design and Development Project, jointly sponsored by USDA, the President's Committee on the Arts and Humanities, and the Design Program of the National Endowment for the Arts.
- **USDA Works To Link Girls To The Land:** Partners for Resource Education, including USDA's Natural Resources Conservation Service and Forest Service, has united with the Girl Scouts of the U.S.A. to develop a program, Linking Girls To The Land, encouraging Scouts to be involved in natural resource conservation issues and careers.

- **Rural Housing Program Goes Electronic:** Having tested it for six months, USDA's Rural Housing Service's Industry Interface initiative will expand nationally to allow multi-family rural housing borrowers to submit tenant certificates electronically rather than on paper, saving money, countless hours, and will improve the accuracy and integrity of the program.
- **USDA Upgrades Facilities:** On Jan. 21, USDA opened its Nursing Mothers' Room, which is equipped to provide all facilities needed for mothers who nurse their children.

On Jan. 20, USDA installed x-rays and magnetometers in the Jamie Whitten Building as part of its security improvement plan.

- **USDA Drug Testing Program Update:** During 1997, 2,058 employees and applicants were tested for illicit drug use; 22 tested positive.
- **Commodity Markets In Review:** For the week ending Jan. 16, wheat prices rose as USDA forecast winter wheat planted acres for the 1998 crop at well below industry expectations. Corn prices increased on USDA's report of lower than expected current and forecast stocks. Soybean prices rose, buoyed by a rebound in soybean products. Cotton prices dropped, as USDA's estimate of the 1997/98 production was raised significantly and forecast world consumption reduced. Cattle prices dropped in light trade, as large supplies continue to be the dominant factor. Hog prices moved up, as buyers are taking advantage of low prices; pork production in January is 20 percent above the same period last year. Broiler prices moved up, but remain under pressure. Strong demand for cream led butter prices up, while cheese prices were unchanged.

Average prices for the week ending Jan. 16

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.50	+0.06	-1.06
Corn \$/bu	2.61	+0.09	-0.04
Soybeans \$/bu	6.61	+0.02	-0.72
Rice \$/cwt	10.69	0.00	-0.15
Cotton c/lb	62.26	-1.67	-8.00
Steers \$/cwt	63.85	-0.09	-1.75
Hogs \$/cwt	35.19	+1.69	-18.51
Broilers c/lb	55.10	0.69	-8.38
Cheese \$/lb	1.43	0.00	+0.15
Butter \$/lb	1.07	+0.03	+0.27
Milk \$/cwt	13.27	+0.28	NA

**II. USDA WORK ON PRESIDENTIAL INITIATIVES**

- President's Initiative On Race:** On Jan. 17, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins held a "One America: Conversations That Bring Us Together" roundtable in Memphis, TN, on the President's racial equality initiative. Community leaders and members discussed the issues of opportunity and fairness for all Americans, with particular focus on economics and education.

On Jan. 20, USDA officials met with the 11 Indian Reservation Tribal Council Chairs in Minnesota, the first between tribal leaders and top USDA state officials.

- Welfare Reform Update:** During the Jan. 13-20 period, USDA received and is reviewing Maryland's request to extend and modify its current waivers 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 ages 18-50 without dependents unless the individuals are employed an average of 20 hours per week or are participating in a work program. In the same period, USDA approved a waiver for Hawaii exempting individuals on three islands with unemployment rates greater than 10 percent; two waivers for Kentucky, including one which modified and extended a waiver exempting

56 counties based on their designation as LSAs; and a waiver for Taylor County, KY based on a significant increase in the county's unemployment rate (estimated at 16.3 percent for December) as the result of the closing of a large plant in the county.

- **USDA Gearing Up For New Food Safety Program:** By Jan. 26, large meat and poultry plants (500 or more employees) must implement Hazard Analysis and Critical Control Point (HACCP) programs for their products and processes. USDA has developed an extensive communications plan, including briefings for the industry, consumers, and farmers and a variety of media activities. Large plants account for about 75 percent of raw meat and poultry sold to consumers, and for about 45 percent of processed meat and poultry products.

### **III. NOTABLE CONGRESSIONAL ACTIVITY**

- On Jan. 22 or 23, the House Agriculture Subcommittee on Risk Management and Speciality Crops is scheduled to hold a field hearing on Florida agriculture trade issues as related to the next round of WTO and GATT talks.
- On Feb. 4, the House Appropriations Subcommittee on Interior and Related Agencies will have a hearing on backlog maintenance; Robert C. Joslin, Deputy Chief for National Forest System, will testify.
- On Feb. 4, the House Agriculture Subcommittee on Department Operations, Nutrition, and Foreign Agriculture will hold a hearing on food stamp fraud.
- On Feb. 4, the House Agriculture General Farm Commodities Subcommittee will hold a hearing on the impact of the Asian financial crisis on agriculture.

### **IV. SECRETARY'S SCHEDULE**

- Next week, Secretary Glickman is planning a trip to Washington State to discuss food safety and the Conservation Reserve Program.
- On Jan. 28, Secretary Glickman will speak at USDA's Martin Luther King observance program in Washington, DC.
- On Jan. 30, the Secretary will participate in a civil rights roundtable and speak at the Rural Life Symposium Conference at the University of Arkansas in Pine Bluff, AR.

## V. DEPUTY SECRETARY'S SCHEDULE

- On Feb. 9, Deputy Secretary Rominger will address the Soil and Water Conservation Society in Washington, DC.

## VI. SUB-CABINET SCHEDULE

- On Jan. 23, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins will meet with the president of the National Urban League and American Federation of State, County, and Municipal Employees and attend a school breakfast in Washington, DC.
- Through Jan. 23, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn will be speaking at the International Poultry Expo in Atlanta, GA.
- On Jan. 23, Chief Information Officer Anne Reed will be a panelist on Year 2000 at the Computerworld Conference in Washington DC.
- Through Jan. 24, Under Secretary for Farm and Foreign Agricultural Services August Schumacher Jr. will be in Asia to meet with various officials in Indonesia, Hong Kong, Korea, and Japan.
- On Jan. 26, Under Secretary for Rural Development Jill Long Thompson will convene a women's roundtable on the Second International Conference on Women in Agriculture in Olympia, WA.
- On Jan. 27, Under Secretary Watkins will participate in the Food, Nutrition, and Consumer Service's Pilot Food and Nutrition Outreach Project with the Faith Community Conference in Washington, DC.
- On Jan. 27, Under Secretary Long Thompson will address the Rural Women's Regional Conference and Statewide Annual Meeting in Seattle, WA.
- On Jan. 29-30, Assistant Secretary Dunn will speak to the Rocky Mountain Farmers Union in Sante Fe, NM.

## VII. PRESS/MEDIA INQUIRIES

### Amplification

- **Organic Standards, Dairy:** On Jan. 15, the Secretary was interviewed by *McNeil NewsHour* on organic standards and by *CBS News* on milk marketing orders and dairy policy.

On Jan. 7, a representative of USDA's Agricultural Marketing Service was interviewed on *National Public Radio's Diane Rehm Show* and San Francisco public radio station *KQED* to discuss the proposed organic standards rule.

- **Food Safety Initiative:** On Jan. 18, Secretary Glickman discussed the Administration's commitment to food safety at the memorial event in Chicago, IL, marking the fifth anniversary of the Pacific Northwest *E.coli* outbreak that killed four children. The event was sponsored by Safe Tables Our Priority (STOP), a consumer food safety group.
- **President's Initiatives On Race, Food Recovery, Nutrition:** On Jan. 22, Secretary Glickman will hold a news conference to release the Small Farms Commission report.

On Jan. 30, the Secretary will cover such topics as civil rights, rural economics, and small farms at the Conference on Rural Life at the University of Arkansas at Pine Bluff.

On Jan. 13, Washington, DC's *News Channel 8*, *WKYS* radio, and *Washington Times* covered a press conference at which Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins joined representatives of the Southland Corporation and DC Central Kitchen to announce a new food recovery program of food donations to feed the hungry from 7-Eleven stores. *News Channel 8* aired a piece on the story.

On Jan. 17, Under Secretary Watkins held a "One America: Conversations That Bring Us Together" roundtable on the President's racial equality initiative in Memphis, TN. The roundtable received heavy media coverage, including *ABC* affiliate *WPTV-TV*, *NBC* affiliate *WMC-TV*, and *The Memphis Flyer* newsweekly.

- **Roads Issue Receives Extensive Coverage:** The week of Jan. 11, numerous editorials and news articles were published concerning potential changes in Forest Service road policies. Even though a proposal has not been made public, editorials in the *New York Times* and *The Washington Post* expressed favor with the concept of a careful, science-based examination of forest road management. Media interest is expected to remain at a high level until a proposal is formally announced.
- **Rural Development Initiatives:** On Jan. 16, Under Secretary for Rural Development Jill Long Thompson joined Rep. LoBiondo in a teleconference in presenting \$3.5 million in grants and loans for a new water desalination plant for Cape May, NJ. *CBS*, *NBC*, and *ABC* local affiliates, *New Jersey Network News*, *Cape May Herald*, *Cape May County Gazette*, and four radio stations covered the event.

- **Trade, Exports, Conservation:** On Jan. 15, Deputy Secretary Rominger addressed the National Association of Wheat Growers convention in San Diego, CA on the importance of trade to agriculture, especially wheat interests; he focused on risk management and public/private partnerships in the new market-oriented era and the importance of conservation and research to agriculture's future as well as the railway transportation problem and efforts to deal with it.

On Jan. 19, Special Assistant to the Secretary Paul Drazek spoke at the annual meeting of the National Council of Farmer Cooperatives in Orlando, FL on the importance of trade to American agriculture and other trade issues. On Jan. 21, he spoke at the annual meeting of the Broiler Council in Atlanta, GA on Administration efforts to remove barriers to U.S. exports of poultry products around the world.

### Media Inquiries

- On Jan. 22, Deputy Secretary Rominger will be interviewed by *National Journal* on public service.
- On Jan. 23, Secretary Glickman will hold a media availability on Hazard Analysis and Critical Control Points (HACCP) food safety rules, to be implemented on Jan. 26.
- On Jan. 23, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins will tour *Essence* magazine and discuss USDA nutrition programs and African-American issues.
- *Public Broadcasting Service's Nightly Business Report* requested information on Foreign Agricultural Service Administrator Lon Hatamiya's fact finding trip to Asia.
- *Federal Times* requested information on the Department's plans for administrative convergence.

### VIII. FOIA REQUESTS

- No significant FOIA requests to report this week.

### IX. WEEKEND CONTACT

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January 28, 1998

**MEMORANDUM FOR THE PRESIDENT**

**THROUGH: THE HONORABLE ERSKINE BOWLES**

**FROM: SECRETARY DAN GLICKMAN**

**SUBJECT: Report for Week of January 26, 1998**

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**I. KEY DEPARTMENT NEWS**

- **Secretary Amplifies State Of The Union Message And Food Safety Initiative:** On Jan. 28, Secretary Glickman amplified the President's State of the Union message and the Administration's food safety initiative with an address to the University of Washington's Public Health School in Seattle. The Secretary's visit comes as USDA's new science-based meat and poultry inspection system goes into effect.
- **USDA Improves Conservation Reserve Program:** On Jan. 29, Secretary Glickman will announce the results of the 16<sup>th</sup> and most recent sign up for USDA's Conservation Reserve Program (CRP), bringing 5.9 million environmentally sensitive acres into the program, roughly doubling the conservation value of the program over one year ago.
- **Secretary To Host Roundtable On Rural Credit:** On Jan. 30, Secretary Glickman will host a forum on rural credit with area farmers, lenders, and USDA credit officials in Pine Bluff, AR, in conjunction with the Rural Life Conference at the University of Arkansas at Pine Bluff to examine steps USDA can take to improve delivery of its loan programs with emphasis on meeting the needs of small and minority farmers.
- **USDA Officials Call For Support Of IMF Loan Package:** On Jan. 26, following their recently concluded visit to Southeast Asia, USDA's top trade officials briefed 30 members of the media and farm group representatives of the effects of the Asian currency crisis on U.S. agricultural exports, indicating that the \$2 billion in USDA export credit guarantees appears to be helping facilitate U.S. exports, but that the IMF loan package was critical to a recovery in the region.

- **Tariff Reductions Help Offset Effects Of Currency Crisis On U.S. Farm Exports:** Under structural reforms the Philippines will implement under the IMF assistance agreement, U.S. exporters of horticultural products will benefit from accelerated Philippine duty reductions on a range of horticultural and other agriculture products and a rapidly expanding market for U.S. horticultural commodities, with shipments through the first 11 months of 1997 valued at nearly \$113 million, up 4 percent from the previous year.
- **USDA Reaches Out As New Food Safety Inspections Begin:** With implementation of the new meat and poultry inspection system, the Pathogen Reduction and Hazard Analysis and Critical Control Points (HACCP) rule, in large plants of 500 or more employees on Jan. 26, USDA disseminated background material, fact sheets, and questions and answers about the program to the news media and industry, consumer, and farm groups. On Jan. 23, Secretary Glickman spoke by conference call with 18 of USDA's Food Safety District Managers about implementation of the program.
- **Tyson Food Service's Waldron, Arkansas Facility Reopens:** On Jan. 20, the Tyson Food Service's Waldron, AR plant implemented corrective actions in response to USDA's Jan. 14 action effectively closing the plant; this facility's record and USDA's action were the subject of considerable media attention.
- **USDA Helps Disaster Victims:** Officials in USDA's Kansas City Commodity Office shipped two truckloads of hamburgers, canned fruit and beans, peanut butter, and pasta to help Maine residents still suffering from ice storm damage.

USDA increased North Carolina's allocation of aid to restore flood-damaged watersheds by \$500,000, bringing the state's share to \$2.3 million.

- **USDA Extends Winter Food Drive:** By popular demand, USDA has extended its food drive for two additional weeks, to Feb. 13.
- **USDA Helping To Clean The Potomac:** Sign up for USDA's Potomac Land Treatment Watershed Project ends Jan. 31. Thus far, 116 farmers in the five-county area pledged to implement nutrient management plans and install 144 poultry litter storage facilities, 98 dead bird composters, and 36 barnyard management systems, that will prevent 95 percent of the bacteria produced by cows and sheep from polluting nearby waterways.
- **U.S. Rice Breaks Into Japanese Market:** The Japanese Food Agency bought 73,000 tons of U.S. rice last week, boosting the total U.S. share of Japanese purchases to just over 50 percent for the year, fulfilling Japan's 1997/98 required rice purchases under the Uruguay Round.

- **USDA Provides Food For Peace Aid:** On Jan. 16, USDA issued Armenia an authorization to purchase \$15 million of U.S. wheat under Public Law 480, the Food for Peace Program, and issued a similar authorization on Jan. 21 to Guyana for \$5 million worth of U.S. wheat.
- **USDA Assists Dairy Exports:** From Jan. 15 through Jan. 21, USDA provided subsidies to facilitate the export of 594 metric tons of dairy products to destinations worldwide.
- **Commodity Markets In Review:** For the week ending Jan. 23, wheat prices rose on a private sector forecast of lower 1998/99 world production, and better than expected export sales. Corn cash prices were up, but futures fell as worries about Asian demand resurfaced and conditions of Southern Hemisphere crops remain good. Soybean prices were up, supported by strong demand, particularly for soybean oil, and a better than expected export sales report. Cotton prices fell on worries about Indonesia and China. Cattle prices were up, but the upside potential remains limited by the large number in feedlots. Hog prices rose for the second week, as packers took advantage of attractive prices and adverse weather slowed marketings. Broiler prices changed little. Butter prices rose sharply with some firms building inventories and USDA's dairy export program contracts being filled. Cheese prices were unchanged, but continue to be supported by relatively tight supplies.

Average prices for the week ending Jan. 23

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.54	+0.03	-0.99
Corn \$/bu	2.69	+0.07	+0.05
Soybeans \$/bu	6.65	+0.05	-0.68
Rice \$/cwt	10.69	0.00	-0.15
Cotton c/lb	62.17	-0.14	-8.11
Steers \$/cwt	64.40	+0.61	-1.20
Hogs \$/cwt	36.60	+1.25	-16.05
Broilers c/lb	54.38	+0.05	-8.11
Cheese \$/lb	1.43	0.00	+0.15
Butter \$/lb	1.24	+0.17	+0.38
Milk \$/cwt	13.29	+0.02	NA

## II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **USDA Officials Support IMF Loan Package:** On Jan. 26, following their recently concluded visit to southeast Asia, USDA's top trade officials briefed 30 members of the media and farm group representatives of the effects of the Asian currency crisis on U.S. agricultural exports, indicating that the \$2 billion in USDA export credit guarantees appears to be helping facilitate U.S. exports, but that the IMF loan package was critical to a recovery in the region.
- **President's Initiative On Race:** USDA began mandatory civil rights training for all employees on Jan. 15, implementing another recommendation from Secretary Glickman's Civil Rights Action Team Report.
- **USDA Reaches Out To D.C. Faith Community:** On Jan. 27, USDA's Food and Nutrition officials held the conference, "Do It Here First," at Howard University in Washington, DC on the Department's Pilot Food and Nutrition Outreach Project with the Faith Community Conference, part of USDA's ongoing outreach to support minorities and harder to reach populations of the District of Columbia.
- **USDA Martin Luther King, Jr. Observance:** USDA's Martin Luther King, Jr. observance program was held Jan. 28 in USDA's Jefferson Auditorium in Washington, DC.
- **USDA To Observe Black History Month:** On Feb. 4, USDA will hold its Black History Month observance program, also in the Jefferson Auditorium in Washington, DC. The program and the month of February will be dedicated to Dr. George Washington Carver and his contributions to agriculture. The keynote speaker will be Dr. Benjamin F. Payton, President of Tuskegee University.
- **USDA Acts On Welfare Reform Waivers:** During the Jan. 20-27 period, the food stamp program from Utah and Vermont asked USDA to extend and modify their current waivers 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 and 50 without dependents unless the individuals are employed for an average of 20 hours per week or are participating in a work program. Under the proposed extension and modification, the Utah state agency will exclude seven counties based on their designation as Labor Surplus Areas (LSAs). Vermont is proposing to extend its current waiver for two counties based on their designation as LSAs.

During the same period, USDA approved Colorado's request exempting residents of the Ute Mountain Indian Reservation based on an unemployment rate for the reservation exceeding 10 percent, and extended and modified two waivers for New Jersey -- the first for 24 municipalities based on unemployment rates greater than 10 percent, and the second for 16 municipalities, four partial counties, and one full county exempt based on their designation as LSAs.

- **Legal Challenge To Welfare Reform:** On Jan. 16, the Arizona Justice Institute, on behalf of Ms. Celia Aleman, a lawful permanent resident alien, filed a civil complaint against Secretary Glickman alleging that a provision of the welfare reform bill violates the equal protection clause of the Fifth Amendment. The provision at issue entitles a legal resident alien to food stamp benefits if the alien can claim 40 qualifying quarters of past employment worked by a parent or spouse of the alien. While an alien can claim credit for qualifying hours worked by a spouse during the marriage if the marriage ended in death, no credit is allowed if the marriage ended in divorce.

Ms. Aleman, who is divorced, was notified that her food stamp certification would be terminated because she does not have sufficient qualifying quarters of employment creditable to her to qualify for food stamps, nor can she invoke any exception disqualifying legal resident aliens from the food stamp program. Ms. Aleman contends that the distinction between marriage ending in death versus marriage ending in divorce is not rationally related to any of the stated purposes of the food stamp act.

- **President's Partnership For Homeownership:** Under the auspices of the President's Partnership for Homeownership, USDA's Rural Housing Service (RHS) has joined with Freddie Mac and Rural Opportunities, Inc. to expand usage of Freddie Mac's affordable housing products in Indiana, Michigan, New Jersey, New York, Ohio, and Pennsylvania using RHS single-family guaranteed home loan program and increasing leveraging in the single-family direct home loan program.
- **USDA Participation In President's America Reads Initiative:** On Feb. 3, USDA Rural Housing officials will announce the participation of a USDA-financed farm labor housing complex in El Centro, CA in the America Reads initiatives, providing facilities in the complex to teach tenants and others in the community to read. This is the first in a series of such announcements.

### III. NOTABLE CONGRESSIONAL ACTIVITY

- On Feb. 3, the House Agriculture Subcommittee on Risk Management and Specialty Crops will hold a hearing to review the proposed tobacco settlement's impact on farmers; witness to be announced.

- On Feb. 4, the House Agriculture Subcommittee on General Farm Commodities will hold a hearing to review fast track negotiating authority; witness to be announced.
- On Feb. 4, the House Appropriations Subcommittee on Interior and Related Agencies will hold a hearing on facility and trail backlog maintenance needs of the Forest Service.
- On Feb. 4, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies will hold a hearing on FY99 Agriculture Appropriations (Inspector General).
- On Feb. 5, USDA's Under Secretary for Farm and Foreign Agricultural Services will testify before the House Agriculture Committee Subcommittee on General Farm Commodities on the currency crisis in Asia and its effects on U.S. agricultural exports.
- On Feb. 5, the House Agriculture Subcommittee on Department Operations, Nutrition, and Foreign Agriculture has tentatively scheduled a hearing on food stamp fraud.

#### **IV. SECRETARY'S SCHEDULE**

- On Jan. 28, Secretary Glickman participated in several events amplifying the President's State of the Union message and food safety initiative, including an address to the Public Health School at the University of Washington in Seattle.
- On Jan. 29, the Secretary will join Governor Locke and Senator Murray to announce the Conservation Reserve Program's 16<sup>th</sup> sign-up in Olympia, WA.
- On Jan. 30, the Secretary will join Rep. Berry in Lonoke, AR to announce a National Water Management Center to help private landowners and local and state governments solve water resource problems. At the University of Arkansas-Pine Bluff, the Secretary will participate in a meeting on rural credit and address the Rural Life Conference.
- On Feb. 2, the Secretary will be joined by the USDA Sub-Cabinet for a media availability on the President's budget.
- On Feb. 3, the Secretary will announce USDA's plan of action for the District of Columbia.
- On Feb. 4, the Secretary will deliver remarks to the University of Michigan Club, the largest alumni organization in the country.
- On Feb. 5, the Secretary will address the National Cattlemen's Beef Association annual conference in Denver, CO.

## **V. DEPUTY SECRETARY'S SCHEDULE**

- On Jan. 28, Deputy Secretary Rominger spoke at USDA's Martin Luther King observance program in Washington, DC.
- On Feb. 9, the Deputy Secretary will address the Soil and Water Conservation Society in Washington, DC.
- On Feb. 25, the Deputy Secretary will speak at the Agribusiness Industry Study Seminar at the College of the Armed Forces at Fort McNair in Washington, DC.

## **VI. SUB-CABINET SCHEDULE**

- On Jan. 29, Under Secretary for Farm and Foreign Agricultural Services August Schumacher, Jr. will brief industry groups on the International Monetary Fund loan package in Washington, DC.
- On Jan. 29-30, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn will speak to the Rocky Mountain Farmers Union in Santa Fe, NM.
- On Feb. 1, Under Secretary for Research, Education, and Economics Miley Gonzalez will speak to the Association of Extension Administrators in Washington, DC.
- On Feb. 2-12, Under Secretary for Rural Development Jill Long Thompson will be participating in meetings with international women's groups on the Second International Conference on Women in Agriculture in Madrid and Paris.
- On Feb. 3, Under Secretary for Natural Resources and Environment Jim Lyons will speak at the National Association of Conservation Districts meeting in Nashville, TN.
- On Feb. 4, Under Secretary for Food, Nutrition, and Consumer Services Shirley Watkins will speak at the California Canning Peach Association in Sacramento, CA.
- On Feb. 5, Under Secretary Schumacher will testify before the House Agriculture Subcommittee on General Farm Commodities on the Asian currency crisis.
- On Feb. 5, Under Secretary Lyons will speak at the National Cattlemen's Beef Association conference in Denver, CO.
- On Feb. 5, Assistant Secretary Dunn will speak to the Colorado Cooperative Council in Colorado Springs.

- On Feb. 6, Assistant Secretary Dunn will speak to the U.S. Beet Sugar Association in LaQuinta, CA.

## VII. PRESS/MEDIA INQUIRIES

- **President's Food Safety Initiative:** *CNN, Channel Earth, Fox, CBS* and *NBC* television affiliates, and *Reuters* covered Secretary Glickman's Jan. 18 speech in Chicago, IL at the memorial for the four children who died in 1993 from tainted hamburger meat. The Secretary discussed Hazard Analysis and Critical Control Points (HACCP) food safety regulations and the Administration's commitment to food safety.

The Secretary Glickman talked with reporters on Jan. 23 from *Cox Newspapers, Bridge News, Reuters, Associated Press, CNN, Dow Jones, Bloomberg, and Omaha World Herald* about the new food safety regulations.

On Jan. 28, the Secretary delivered a speech at the School for Public Health, University of Washington, on the President's food safety initiative. A media availability followed.

- **Civil Rights -- Commission On Small Farms:** On Jan. 22, Secretary Glickman held a news conference to accept the Small Farms Commission report, *A Time To Act*, which contains 146 recommendations to improve USDA's service to small and beginning farmers, including credit, risk management, research, education, rural development, marketing, and outreach. The Secretary spoke about the Administration's commitment to family farmers, noting that the President's 1999 budget "will borrow heavily" from the report for proposals to assist with farm ownership.

Media covering the news conference included *Potomac News, Webcom, Futures World News, Omaha World Herald, Reuters, Dow Jones, Doane's, Associated Press, Bridge News, National Journal, McClatchy News Service, Afro-American News, Berns Bureau, Farm Journal, Farm Progress, and The Daily Oklahoman*. Media covering the news conference through "listen only" telephone lines included *KWAT, Watertown, SD; Brownfield Network; WHO* radio, Des Moines, IA; *KFAB, Omaha, NE; Arkansas Radio Network; WCCO, Minneapolis, MN; Mid-America Network; KBUI, Buffalo, NY;* and the *National Association of Farm Broadcasters'* newsline that feeds all farm broadcasters. Following the news conference, USDA held a briefing for interested constituent groups.

- **Administration's Dairy Reform Proposal:** Secretary Glickman held a Jan. 23 news conference to announce a proposed rule that would significantly reform the Federal Milk Marketing Order program, in accordance with the 1996 farm bill. Media covering the news conference included *CBS News, Madison (Wisconsin) Capital Times, WCAX-TV,*

*Watertown Times, Farm Journal, Bloomberg, Farm Progress, Channel Earth, the Minneapolis Star-Tribune, Bridge News, Medill News Service, McClatchy News Service, Futures World News, Reuters, Associated Press, Southeast Dairy Farmers, Dow Jones, and Thomson Papers* (for Wisconsin outlets).

Media listening in to the news conference through USDA telephone lines included *WBUG*, Amsterdam, NY; *Capitol News Coverage*; *Dairy Herd Management* magazine, Lenexa, K.S; *Feedstuff*, Minnesota; *Dairy Profit Weekly*, Minnesota; *Wisconsin State Journal*; *Dairy Farmers of America*, Texas; *Country Today* newspaper; *Iowa Farm Bureau Spokesman*; *Farmer & Dairy* newspaper, Ohio; *Sun Sentinel*, Florida; *Midwest Dairy Business*; *Dairy and Food Market Analysis*; *Wisconsin Public Radio*; *Florida Dairy Business Newsletter*; *Nutrition Week*; *Minnesota Farm Network*; *Texas State Network*; *KWAP*, Watertown, SD; *WAX*, Wisconsin; *WNP*, Grand Rapids, WI; *WRFB*, Columbus, OH; *Farm Network*, Minneapolis, MN; *Brownfield Network*, Missouri; *WGEE*, Green Bay, WI; *Red River Farm*, North Dakota; Illinois Farm Bureau; *Dairy Today*; *Dairy Food*, Chicago, IL; *Agri News*, Minneapolis, MN; *Tampa Dairy Farm*, Florida; *WCCO*, Minneapolis, MN; and *WAXX*, Wisconsin.

- **State Of The Union Address/Conservation:** Following the President's State of the Union address, Secretary Glickman plans to amplify the President's speech in interviews with *WHO Radio*, Iowa, and the *Des Moines Register*.

On Jan. 29, the Secretary will travel to Seattle, WA to join Governor Locke and Senator Murray in announcing results of the 16th sign up of the Conservation Reserve Program (CRP) and amplifying the President's State of the Union address and his commitment to the environment and conservation. At USDA in Washington, there will be a telephone hook-up from the news conference for national reporters, with USDA officials available to answer questions. Deputy Secretary Rominger will hold a news conference for agriculture broadcasters on CRP.

- **President's Race Reconciliation Initiative/Rural Initiative:** On Jan. 30, Secretary Glickman will cover such topics as civil rights, rural economics, and small farms -- highlighting the Administration's commitment to helping small and minority farmers -- at the Conference on Rural Life at the University of Arkansas-Pine Bluff.

Under Secretary for Food and Consumer Services Shirley Watkins held a "One America: Conversations that Bring Us Together" round table in Memphis, TN on Jan. 17 to discuss the President's racial equality initiative. Media coverage included *WPTV-TV* (ABC affiliate), *WMC-TV* (NBC affiliate), and *Memphis Flyer* (weekly newspaper).

- **The President's Budget:** Following the President's Feb. 2 announcement of his budget, Secretary Glickman and USDA's Sub-Cabinet will hold a news conference at USDA to discuss the budget.

- **Agricultural Trade:** Under Secretary for Farm and Foreign Agricultural Services August Schumacher and Foreign Agricultural Service officials telephoned more than 20 agricultural radio networks during their trip through Asia to evaluate Asian economic problems.

Media included *Alaska Public Radio Network*; *Arkansas Radio Network* (73 stations); *Brownfield Network* in Missouri (175 stations in Midwestern states); *California Farm Radio Network*; *Delmarva Agrinet* in North Carolina (65 East Coast stations); *Kansas-Nebraska Ag Network* (37 Kansas/Nebraska stations); *KHTK Radio*, Sacramento, CA (covers northern California); *Mid-America Ag Network*, Wichita, KS (44 Kansas/Nebraska stations); *North Shore Productions (Successful Farming Radio Magazine)*, Detroit Lakes, MN (65 upper Midwest stations); *Northwest AgInfo Network*, Newberg, OR (covers Washington/Oregon stations); *Southwest Agri-Radio Network*, Yuma, AZ (covers Arizona/California stations); *VSA Radio Network*, San Angelo, TX (65 Texas stations); *WGN Radio/Tribune Radio Networks*, Chicago, IL (99 Midwest stations); *WHB Radio*, Kansas City, MO (covers Kansas/Missouri stations ); and *WPIH Radio*, Harrisonburg, VA.

Under Secretary Schumacher held a media availability at USDA on Jan. 26 to discuss with reporters the positive results of his Asian trip.

- **Federal Crop Insurance:** On Jan. 26, *The Washington Post* published USDA Risk Management Agency Administrator Ken Ackerman's response to an article on federal crop insurance.
- **Roads Issue:** During the week of Jan. 18, Under Secretary for Natural Resources and Environment Jim Lyons and Forest Service Chief Mike Dombeck announced a new approach to managing the more than 400,000 miles of authorized and unauthorized roads in the National Forest System. More than 12 reporters attended a news briefing where the proposal to revamp the National Forest transportation system was unveiled. Media coverage of the announcement around the nation was extensive, and largely favorable.

### Media Inquiries

- *Chicago Tribune* requested information about export credit guarantees announced for Korea and southeast Asia.
- *Voice of America*, on behalf of *Worldnet TV*, is interested in broadcasting an editorial worldwide (in Asia, specifically) about Under Secretary for Farm and Foreign Agricultural Service August Schumacher's Asian trip on the currency crisis.

- *Chicago Tribune* requested information about export credit guarantees announced for Korea and Southeast Asia.
- On Jan. 20, *U.S. News & World Report* contacted the Center for Nutrition Policy and Promotion for information on the Center's report, "Expenditures on Children by Families," and assistance in interpreting the data. The magazine will be doing a feature, possibly a cover story, in two or three weeks on the cost of raising a child.

#### **VIII. FOIA REQUESTS**

- No significant FOIA requests to report this week.

#### **IX. WEEKEND CONTACT**

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February 4, 1998

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE HONORABLE ERSKINE BOWLES

FROM: SECRETARY DAN GLICKMAN

SUBJECT: Report for Week of February 2, 1998

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I. KEY DEPARTMENT NEWS

- **USDA Responds To Asian Financial Crisis:** As of Feb. 3, Korea had used \$188 million in USDA-guaranteed export credits, Thailand, \$54 million, and Indonesia, \$26 million. USDA continues to work on a P.L. 480 food aid initiative for Indonesia, and is considering expanding Korea's line of credit to include hides and skins.  
  
On Feb. 3, Secretary Glickman participated in a White House briefing for private sector leaders on IMF, and will cover the same subject before the National Cattlemen's Beef Association annual conference in Denver, CO on Feb. 5. Under Secretary for Farm and Foreign Agricultural Services August Schumacher participated in similar briefings on Jan. 26 and 30. On Feb. 4, he testified on the Asian financial situation before the House Agriculture Subcommittee on General Farm Commodities. More than 1,000 farm radio stations and numerous trade publications have carried interviews with USDA officials on the crisis over the past week.
- **USDA Protects Environmentally Sensitive Farmland:** On Jan. 29, Secretary Glickman brought 5.9 million acres of environmentally sensitive farmland into the Conservation Reserve Program (CRP), doubling the environmental benefits of the program over what it achieved just one year ago.
- **USDA Monitors New Food Safety Inspection System:** On Jan. 29, USDA's Food Safety office reminded selected plant managers of large meat and poultry plants that to meet the new regulatory requirements, their Hazard Analysis and Critical Control Points (HACCP) plans must have adequate critical control points throughout the processing phase. As a result, most of the plants are revising their HACCP plans, to address USDA's concerns.

- **USDA Sets 1998 Burley Tobacco Program:** On Jan. 30, USDA decreased the 1998 burley tobacco marketing quota by 9.5 percent from last year, setting it at 637.8 million pounds and setting the price support level at 177.8 cents per pound, an increase of 1.8 cents per pound over 1997 but still the lowest price support level the law permits.
- **Farmers Say "Yes" To Tobacco Program:** 98.5 percent of the farmers voting in the statutorily required, triennial referendum on whether they wish to continue the flue-cured support program voted yes, according to preliminary results. Burley tobacco growers will vote Feb. 23-27 and growers of other types of tobacco will vote March 23-27.
- **State Governments Act On Regional Dairy Compacts:** On Jan. 19, New Jersey Governor Whitman signed legislation that authorizes New Jersey to join the Northeast Interstate Dairy Compact, contingent upon entry of New York into the compact, where legislation is pending, and federal approval.

Meanwhile, the Georgia legislature is considering a bill to bring Georgia into the yet-to-be-formed Southern Dairy Compact.

- **USDA Boosts Dairy Exports:** From Jan. 22 through Jan. 28, USDA approved subsidies to facilitate the export of 1,033 metric tons of dairy products to Caribbean, Central, and South America destinations.
- **Commodity Markets In Review:** For the week ending Jan. 30, wheat prices edged up on worries about the winter wheat crop and good export sales. Corn prices fell across the board, a result of ample supplies and weak exports. Soybean prices rose, following strong new sales of soybean meal to South Korea and China. Cotton prices strengthened in light trading, as trade buying picked up and the Indonesian rupiah rebounded. Cattle prices fell in slow trade, as the market is burdened by large supplies now and for the foreseeable future. Cash hog prices rose, as slaughter continues to be high, but futures slumped as there appears no end in sight to large meat supplies. Broiler prices also weakened. Butter prices rose slightly, as demand continues to be firm. Cheese prices were unchanged.

Average prices for the week ending Jan. 30

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.61	+0.07	-0.88
Corn \$/bu	2.68	-0.01	-0.01
Soybeans \$/bu	6.70	+0.05	-0.68
Rice \$/cwt	10.69	0.00	-0.15
Cotton c/lb	62.30	+0.13	-8.97
Steers \$/cwt	63.28	-0.86	-0.97
Hogs \$/cwt	37.35	+0.75	-17.80
Broilers c/lb	54.34	-0.04	-7.83
Cheese \$/lb	1.43	0.00	+0.15
Butter \$/lb	1.26	+0.02	+0.38
Milk \$/cwt	13.24	-0.05	NA

II. USDA WORK ON PRESIDENTIAL INITIATIVES

- USDA Supporting IMF Package:** On Feb. 3, Secretary Glickman participated in a White House briefing for private sector leaders on IMF, and will cover the same subject before the National Cattlemen's Beef Association annual conference in Denver, CO on Feb. 5. Under Secretary for Farm and Foreign Agricultural Services August Schumacher participated in similar briefings on Jan. 26 and 30. On Feb. 4, he testified on the Asian financial situation before the House Agriculture Subcommittee on General Farm Commodities. More than 1,000 farm radio stations and numerous trade publications have carried interviews with USDA officials on the crisis over the past week.
- President's Initiative On Race:** During his Jan. 30 roundtable on credit in rural America, held in conjunction with the Rural Life Conference in Pine Bluff, AR, Secretary Glickman announced a new pilot program, developed with the Rural Development Corporation, a consortium of minority banks, and USDA, to implement more effective methods of providing credit to socially disadvantaged applicants in Alabama, Arkansas, Mississippi, Missouri, North Carolina, and Virginia.

On Feb. 3, Secretary Glickman signed a memorandum of agreement establishing programs to ensure that tribal colleges and universities equitably participate in USDA programs.

In early March, USDA begins training for the new outreach specialists hired through USDA's Outreach Technical Assistance program at the University of Puerto Rico at Mayaguez, a program to help small and limited resource farmers obtain credit.

Secretary Glickman and his top staff have completed the first half of the new civil rights training at USDA, one of the recommendations of the Secretary's civil rights initiative.

- **Welfare Reform Update:** During the Jan. 28-Feb. 3 period, USDA approved Utah's request to extend and modify its current waiver of the provisions of the welfare reform law that limit food stamp participation to three months in any 36-month period for able-bodied adults between the ages of 18 and 50 without dependents unless the individuals are employed for an average of 20 hours a week or are participating in a work program. Under the extension and modification, Utah will exclude seven counties based on their designation as Labor Surplus Areas (LSA); two counties previously so designated were dropped and one new county has been added as an LSA for FY98.
- **USDA Funds Plan Of Action For District Of Columbia:** On Feb. 3, Secretary Glickman joined D.C. Delegate Norton and Mayor Berry to award 10 community organizations that will share \$250,000 in Urban Environmental Resource Initiative projects, which assists local groups in improving their environment through volunteerism and community support.

### III. NOTABLE CONGRESSIONAL ACTIVITY

- On Feb. 3, the House Agriculture Subcommittee on Risk Management and Specialty Crops held a hearing on the proposed tobacco settlement's impact on farmers.
- On Feb. 4, the House Appropriations Subcommittee on Interior and Related Agencies held a hearing on deferred maintenance needs in the National Forests; National Forest System Deputy Chief Robert Joslin testified.
- On Feb. 4, the House Agriculture Subcommittee on General Farm Commodities held a hearing to review the Asian Financial Crisis: Issues for U.S. Agriculture; Under Secretary for Farm and Foreign Agricultural Service August Schumacher testified.
- On Feb. 4, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies held a hearing on FY99 Agriculture Appropriations; Inspector General Roger Viadero testified.

- On Feb. 5, the House Agriculture Subcommittee on Department Operations, Nutrition, and Foreign Agriculture has scheduled a hearing on food stamp fraud; Inspector General Roger Viadero and Food and Nutrition Service Administrator Yvette Jackson will testify.
- On Feb. 10, the Senate Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies will hold a hearing on FY99 Agriculture Appropriations; Secretary Glickman will testify.
- On Feb. 12, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies will hold a hearing on FY99 Agriculture Appropriations; Secretary Glickman will testify.
- On Feb. 12, the House Ways and Means Subcommittee on Trade will hold a hearing on the effectiveness of the Uruguay Round trade agreements dealing with agricultural products and will examine ways to reduce barriers to agricultural trade; Under Secretary for Farm and Foreign Agricultural Services August Schumacher will testify.

#### **IV. SECRETARY'S SCHEDULE**

- On Feb. 5, Secretary Glickman will address the National Cattlemen's Beef Association annual conference in Denver, CO.
- On Feb. 9, the Secretary will address the American School Food Services Association annual Legislative Action Conference in Washington, DC.
- On Feb. 10, the Secretary will testify before the Senate Agriculture Appropriations Subcommittee in Washington, DC.
- On Feb. 11, the Secretary will join Secretary Cuomo in Boston, MA in announcing a joint USDA-Housing and Urban Development initiative to provide Women, Infants, and Children (WIC) program services to HUD-financed housing projects.
- On Feb. 11, the Secretary will deliver remarks to the John F. Kennedy School of Government in Cambridge, MA.
- On Feb. 12, the Secretary will testify before the House Agriculture Appropriations Subcommittee in Washington, DC.
- On Feb. 13, the Secretary will join the Vice President to release a report on the Clean Water Initiative.

## **V. DEPUTY SECRETARY'S SCHEDULE**

- On Feb. 9, Deputy Secretary Rominger will address the Soil and Water Conservation Society in Washington, DC.
- On Feb. 25, the Deputy Secretary will speak at the Agribusiness Industry Study Seminar at the College of the Armed Forces at Fort McNair in Washington, DC.

## **VI. SUB-CABINET SCHEDULE**

- On Feb. 5, Under Secretary for Natural Resources and Environment Jim Lyons will speak at the National Cattlemen's Beef Association Conference in Denver, CO.
- On Feb. 5, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn will speak at the Colorado Cooperative Council in Colorado Springs.
- On Feb. 6, Under Secretary for Food, Nutrition and Consumer Services Shirley Watkins will speak before the Retired Educators for Agricultural Programs at Langston University in Langston, OK.
- On Feb. 6, Assistant Secretary Dunn will speak at the U.S. Beet Sugar Association meeting in LaQuinta, CA.
- On Feb. 9, Under Secretary Watkins will speak at the American School Food Service Association Legislative Conference in Washington, DC.
- On Feb. 10, Under Secretary for Food Safety Catherine Woteki will participate in a White House food safety initiative briefing for constituency groups.
- On Feb. 10, Under Secretary Woteki will participate in the Nebraska Governor's Conference on Food Safety in Lincoln.
- On Feb. 11, Under Secretary Watkins will participate in the Community Nutrition Institute workshop on a national policy on infants and AIDS in Washington, DC.
- On Feb. 12, Under Secretary for Farm and Foreign Agricultural Services August Schumacher Jr. will testify before the House Ways and Means Subcommittee on Trade on U.S. efforts to reduce barriers to trade in agriculture.
- Through Feb. 12, Under Secretary for Rural Development Jill Long Thompson will participate in meetings with international groups on the Second International Conference on Women in Agriculture in Madrid and Paris.

- On Feb. 13, Under Secretary Woteki will speak at the National Meat Association annual meeting in San Francisco, CA.
- On Feb. 13, Assistant Secretary Dunn will speak at the Western States Meat Association in San Francisco, CA.

## VII. PRESS/MEDIA INQUIRIES

### Amplification

- **State Of The Union Address:** Following the President's State of the Union address, Secretary Glickman amplified President Clinton's priorities on Jan. 29, specifically his commitments to food safety and the environment, in interviews with *WHO Radio* (Des Moines, IA) and *Des Moines Register*.

The Secretary also amplified the President's message at an address to the School for Public Health at the University of Washington in Seattle on Jan. 28, where he talked about the President's references to the advances underway in research and technology, particularly in the field of biomedicine, as well as the Administration's commitment to food safety. Both the speech and the media availability that followed were covered by all Seattle television network affiliates -- *KOMO-TV*; *KING-TV*; *KIRO-TV*; *WCPQ-TV* -- as well as *Associated Press*; *Reuters*; *University of Washington Daily*; *Bridge News*; *Seattle Post-Intelligencer*; *Seattle Times*; *KUOW (National Public Radio)*; *KPLU-FM*; and *KIRO-AM*.

The Secretary joined Senator Murray in Olympia, WA on Jan. 29 to announce the results of the 16th sign up of the Conservation Reserve Program (CRP). At a news conference, the Secretary amplified the State of the Union address, specifically President Clinton's initiative on water quality and the President's commitment to a cleaner environment and a growing economy. Media covering the announcement included *Associated Press*; *Bridge News*; *Reuters*; *Olympia Capitol Press*; *Spokane Spokesman-Review*; *National Public Radio*; *Tri-Cities Herald* (Richland, Rasco, and Kennewick, WA); and *TV News Service*.

At USDA in Washington, national reporters listened to the announcement through a telephone hook-up, and Deputy Secretary Rominger and other USDA officials answered reporters' questions. Media covering at USDA included *Futures World News*; *Omaha World Herald*; *Daily Oklahoman*; *Bridge News*; *National Grain Trade*; *Farm Progress*; *Doanes*; *Associated Press*; *Reuters*; *Dow Jones*; *Wichita Eagle*; *Berns Bureau*; *National Journal*; *Bloomberg*; and *Copley News Service*. Agriculture broadcasters, representing hundreds of radio stations from around the country, participated through telephone lines.

The Secretary also furthered the President's message when he joined Rep. Berry in Lonoke, AR On Jan. 30 to announce that USDA will open a national Water Management Center at the University of Arkansas at Pine Bluff Lonoke Farm, which will help private landowners and local and state governments solve water resource problems. Media covering the event included *Arkansas Democrat Gazette*; the CBS television affiliate; and *Arkansas Radio Network*.

The Secretary participated in the 42nd Annual Rural Life Conference on Jan. 30, at the University of Arkansas at Pine Bluff, a USDA 1890s land grant institution, where he amplified the State of the Union address. Secretary Glickman talked about issues of importance to farmers and rural dwellers, including agricultural research, and stressed that "USDA and this Administration are serious in our commitment to the future success of the small farm." In addition, the Secretary discussed civil rights and USDA's strong partnership and commitment to the success of land grant institutions. Media covering the speech and the media availability that followed, included the Pine Bluff newspaper; *Arkansas Democratic Gazette*; *Arkansas Radio Network*; and the ABC television affiliate.

On Feb. 5, the Secretary will amplify the President's State of the Union address, specifically the President's initiatives on trade and his commitment to food safety, at the annual conference of the National Cattleman's Beef Association in Denver, CO. The speech will be followed by a media availability.

Under Secretary for Farm and Foreign Agricultural Services August Schumacher, Foreign Agricultural Service Administrator Lon Hatamiya, and USDA General Sales Manager Christopher Goldthwait participated in a Jan. 28 USDA-produced audio bridge to discuss their recent Asian trip with more than 900 agriculture broadcasters and the *Wall Street Journal*. The USDA officials amplified the State of the Union address, focusing on trade, specifically Asian markets and their importance to the United States.

Under Secretary for Research, Education, and Economics Miley Gonzalez addressed the Conference of the Southwest Indian Agriculture Association in Laughlin, NV on Jan. 27. Dr. Gonzalez amplified the State of the Union address, focusing on the President's commitment to better access to high quality education for the nation's youth.

- **The President's Budget:** Following the President's budget announcement on Feb. 2, Secretary Glickman held a news conference at USDA. There was significant media coverage, including *Associated Press*; *Food Chemical News*; *Gannett News Service*; *Farm Progress*; *Northwest Newspapers*; *Congressional Greensheets*; *Federal Times*; *Great Falls Tribune*; *Washington Trade Daily*; *Berns Bureau*; *Newhouse*; *Business Publishers, Inc.*; *Washington Post*; *Potomac Radio*; *Capitol Publications*; *Des Moines Register*; *Nutrition Week*; *Bridge News*; *Omaha World-Herald*; *WIC Newsletter*; *Futures World News*; *Spokane Review*; *Topeka Capital Journal*; *Local, State Funding Report*; *Daily Oklahoman*; *Dow Jones News*; *Alaska Public Radio Network*; *Federal Computer*

*Week; This Week in Washington; Environmental and Energy Weekly; Arlington Courier; Ottaway Newspapers; Farm Journal; Ag Letter; Housing and Development Reporter; Congressional Quarterly Weekly Report; Kiplinger Agriculture Letter; Watertown (New York) Times; Congressional Greensheets; Chronicle of Higher Education; Reuters; and Bloomberg.*

A number of agriculture broadcasters listened to the news conference through USDA telephone lines. USDA issued a news release and four accompanying fact sheets that contained background information on expanding economic opportunity for family farmers and rural America, food safety and nutrition, natural resources, and civil rights.

*Nutrition Week* led its Jan. 23 issue with a story stating "Agriculture Department '99 budget will promote food recovery and gleaning."

### **Media Inquiries**

- *Time* requested background material on food stamps and the food stamp provisions of welfare reform.
- *Philadelphia Inquirer* requested background information on food stamp electronic benefit transfer (EBT) for a story on Philadelphia's system.
- Under Secretary for Food Safety Catherine Woteki was interviewed Jan. 30 by *New York Daily News* for an article about food safety, scheduled to run the week of Feb. 8.
- *CNN* contacted USDA's Wildlife Services office in Florida to do a story on birdstrike work at Homestead Air Force Base.

### **VIII. FOIA REQUESTS**

- No major FOIA requests to report this week.

### **IX. WEEKEND CONTACT**

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February 11, 1998

**MEMORANDUM FOR THE PRESIDENT**

**THROUGH: THE HONORABLE ERSKINE BOWLES**

**FROM: SECRETARY DAN GLICKMAN**

**SUBJECT: Report for Week of February 9, 1998**

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**I. KEY DEPARTMENT NEWS**

- **USDA Responds To Asian Financial Crisis:** On Feb. 12, Secretaries Glickman and Rubin and Federal Reserve Chairman Greenspan will brief the House Agriculture Committee on the Asian economic situation and its effect on U.S. agricultural exports. Following the briefing, USDA will release a fact sheet on the effects of the Asian financial crisis on the agricultural sector. On Feb. 5, USDA increased by \$100 million the amount of operational credit guarantees available to U.S. exporters for sales of U.S. hides and skins to Korea, bringing the operational total to \$550 million, out of total authorized line of credit to \$1.1 billion.

Meanwhile, Australian Prime Minister John Howard is considering lodging a complaint with the World Trade Organization over USDA's use of export credit guarantees in Asia and announced that Australia will offer credit guarantees of its own. Australia's Minister for Primary Industries and Energy plans to meet with Secretary Glickman in March at the OECD Agricultural Ministerial in Paris to discuss the dispute. In accordance with the terms of the International Monetary Fund structural adjustment loan agreement, Indonesia has reduced its tariffs, effective Feb. 1, on a range of horticultural and other agricultural products, further opening a rapidly expanding market for U.S. exporters who, through the first 11 months of 1997, shipped over \$80 million worth of horticultural products, up 21 percent from the previous year.

- **USDA Responding To North Korea Food Shortage:** In response to a global appeal from the World Food Program, USDA is gearing up to purchase and arrange shipment for up to 200,000 metric tons of foodstuffs for North Korea in the coming months.

- **Counterfeit Food Stamp Operation Uncovered In Montreal:** On Feb. 9, the Secret Service began serving arrest warrants for several individuals in Montreal suspected of producing counterfeit food stamps at three printing shops in the area and shipping them to New York City. The Secret Service expects to confiscate \$35 million in counterfeit food stamps at one site, and possibly as much as \$50 million more at another.
- **USDA Assisting Flood Recovery In Mid-Atlantic States:** USDA is surveying damage in flood-stricken sections of North Carolina, South Carolina, and Virginia, and provided North Carolina with an additional \$500,000, bringing the state's total to \$2.3 million for emergency watershed restoration.
- **New Report Documents Value Of USDA Research And Development Spending:** A new report USDA will release Feb. 17, "U.S. Agricultural Growth and Productivity: An Economy Wide Perspective," documents that 75 percent of U.S. agriculture's gains in productivity -- that, at 1.94 percent annually, make agriculture among the highest sectors in annual productivity growth -- can be traced to public investments in research.
- **USDA Works To Open Taiwanese Market:** On Feb. 11-13, USDA negotiators will sit down with representatives of Taiwan's Minister of Economic Affairs and Chairman of the Council of Agriculture for talks designed to open Taiwan's market for rice, offals, poultry, and pork to U.S. exporters. The negotiations come against the retaliatory boycott Taiwanese feed millers have against U.S. corn and soybean imports, which make up 98 percent and 80 percent, respectively, of Taiwanese imports.
- **USDA Boosts Dairy Exports:** From Jan. 29 through Feb. 4, USDA provided subsidies to facilitate sales of 1,345 metric tons of dairy products to African, Latin American, and Middle East destinations.
- **Commodity Markets In Review:** For the week ending Feb. 6, wheat prices slumped; large worldwide supplies loom over the market. Corn prices fell on lackluster export demand. Rice prices firmed as weather problems in Indonesia and the Philippines drove international prices up. Soybean prices rose across the board, led by increases in soybean oil prices. Cotton prices moved up on an unexpectedly low U.S. 1998 plantings forecast issued by the National Cotton Council, plus good export sales. Steer prices fell, following market reports of large numbers of market-ready cattle about to move from feedlots. Hog and broiler prices also dropped, pressured by large supplies. Butter prices moved higher as buyers built inventories. Cheese prices remain firm.

Average prices for the week ending Feb. 6

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.61	0.00	-0.84
Corn \$/bu	2.66	-0.02	0.00
Soybeans \$/bu	6.77	+0.07	-0.53
Rice \$/cwt	10.69	0.00	-0.98
Cotton ¢/lb	63.65	+1.35	-7.07
Steers \$/cwt	60.94	-2.34	-2.42
Hogs \$/cwt	36.20	-1.15	-17.80
Broilers ¢/lb	54.20	-0.14	-7.44
Cheese \$/lb	1.43	0.00	+0.11
Butter \$/lb	1.33	+0.07	+0.40
Milk \$/cwt	13.22	-0.02	NA

**II. USDA WORK ON PRESIDENTIAL INITIATIVES**

- **Asian Financial Crisis:** (see Key Department News: *USDA Responds To Asian Financial Crisis*)
- **President's Initiative On Race:** On Feb. 4, officials of USDA's Risk Management Agency met with Hmong American Community, Inc. representatives in Sacramento, CA to discuss a cooperative agreement to provide Hmong farmers improved access to USDA's risk management programs.

USDA is working with the Cherokee Nation to develop a Memorandum of Understanding by which the Forest Service will provide technical assistance for the Tribe's plans to develop its 60,000 acres of forested lands.

- **Alaska Begins Electronic Benefits Transfer Pilot:** On Feb. 1, Alaska began delivering food stamp benefits by electronic benefits transfer (EBT) to recipients in the pilot area of Sitka, Ketchikan, and Juneau. The system is due to expand statewide by June 1998.

- **Welfare Reform Update:** During the period from Feb. 3 through 10, Idaho asked to extend and modify its current waivers exempting residents of five Indian reservations from the provisions of the welfare reform law that limit food stamp participation to three months in any 36-month period for able-bodied adults between the ages of 18 and 50 without dependents unless the individuals are employed for an average of 20 hours a week or are participating in a work program.
- **Funding Under USDA's District Of Columbia Initiative Announced:** On Feb. 3, Secretary Glickman joined Washington, DC officials to recognize 12 community organizations that will share \$250,000 of Federal Challenge Cost Share funds, to implement Urban Environmental Resource Initiative projects as part of USDA's Plan of Action for the District of Columbia. The Urban Environmental Resource Initiative assists local groups in improving their environment through volunteerism and community support.
- **USDA Supports Tutoring Initiative:** In California's Imperial County Enterprise Community, USDA helped kick off the Brawley "America Reads" tutoring project on Feb. 2. The Imperial Valley College is supplying seven tutors, through the federal work study program, to tutor elementary aged children in the USDA-funded Austin-Thomas Farm Labor Housing Project.

### III. NOTABLE CONGRESSIONAL ACTIVITY

- On Feb. 12, Secretary Glickman, Treasury Secretary Rubin, and Federal Reserve Chairman Greenspan will brief the House Agriculture Committee on the Asian economic situation and its effect on U.S. agricultural exports.
- On Feb. 12, the House Resources Subcommittee on Forests and Forest Health will hold a hearing on the closure of a target range leased by the Tucson Rod and Gun Club in Tucson, AZ. The range was closed by the Forest Service after being cited for environmental and safety concerns.
- On Feb. 12, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies will hold a hearing on FY99 Agriculture Appropriations. Secretary Glickman will testify.
- On Feb. 12, the House Ways and Means Subcommittee on Trade will hold a hearing on the effectiveness of the Uruguay Round trade agreements dealing with agricultural products and will examine ways to reduce barriers to agricultural trade. Under Secretary for Farm and Foreign Agricultural Services August Schumacher will testify.
- On Feb. 12, the House Small Business Committee will hold a hearing on the Small Business Regulatory Flexibility Act compliance. Agricultural Marketing Service Administrator Enrique Figueroa will testify.

- On Feb. 16, the Senate Energy and Natural Resources Subcommittee on Forests and Public Lands Management will hold a field hearing in Twin Falls, ID on "Forest Management of the Sawtooth."

#### **IV. SECRETARY'S SCHEDULE**

- On Feb. 11, Secretary Glickman delivered remarks to the John F. Kennedy School of Government in Cambridge, MA.
- On Feb. 12, the Secretary will testify before the House Agriculture Appropriations Subcommittee in Washington, DC.
- On Feb. 12, Secretary Glickman will join Treasury Secretary Rubin and Federal Reserve Chairman Greenspan in briefing the House Agriculture Committee on the Asian economic situation and its effect on U.S. agricultural exports.
- On Feb. 18, the Secretary will deliver a speech on food safety at the Food Safety and Toxicology Laboratory at the University of Michigan at East Lansing, at the invitation of Rep. Stabenow.
- On Feb. 23, the Secretary will address USDA's Agriculture Outlook Forum in Washington, DC.

#### **V. DEPUTY SECRETARY'S SCHEDULE**

- On Feb. 19, Deputy Secretary Rominger will announce the Conservation Reserve Enhancement Program in Minnesota.
- On Feb. 23, the Deputy Secretary will speak at USDA's Agriculture Outlook Forum in Washington, DC.

#### **VI. SUB-CABINET SCHEDULE**

- On Feb. 12, Under Secretary for Farm and Foreign Agricultural Services August Schumacher, Jr. will testify before the House Ways and Means Subcommittee on Trade on U.S. efforts to reduce barriers to trade.
- On Feb. 13, Assistant Secretary for Marketing and Regulatory Programs Michael Dunn will speak at the Western States Meat Association meeting in San Francisco, CA.
- On Feb. 18, Under Secretary for Natural Resources and Environment Jim Lyons will attend the Natural Resources Conservation Service Conservationists meeting in Arlington, VA.

- On Feb. 20, Under Secretary Lyons will speak at the University of Berkeley School of Law in Berkeley, CA.

## VII. PRESS/MEDIA INQUIRIES

### Amplification

- **District Of Columbia Initiative:** Secretary Glickman participated in a USDA District of Columbia initiative grant awards ceremony on Feb. 3, where he presented grants of up to \$50,000 each to 10 Washington, DC community organizations that work to preserve, protect, and enhance the city's natural resources and environment. The event drew more than 200 persons, including Rep. Holmes North, Mayor Barry, and other city officials. *Reuters* and *Bridge News Services* covered the event.
- **Food Safety Initiative:** Secretary Glickman discussed the President's commitment to food safety in a speech before the National Cattlemen's Beef Association on Feb. 5. There was significant print and broadcast coverage of the speech and the media availability that followed, including *Rocky Mountain News*, *Denver Post*, *Farm Progress*, *Reuters*, *Bridge News Services*, *Dow Jones*, *Congress Daily/National Journal*, *Associated Press*, *Ag Day TV*, the local ABC television affiliate, *Omaha World Herald*, plus many farm broadcasters.

The Secretary delivered a speech Feb. 9 in Washington, DC before the American School Food Service Association, where he amplified the President's budget initiative of \$2 million for food safety education in the school lunch program. *Associated Press*, *Reuters*, *Futures World News*, and other print reporters covered the Secretary's speech.

The Secretary mentioned the budget allocation for food safety, in addition to other topics, in his speech, "From Congress to the Cabinet: Making Public Policy Work," at the John F. Kennedy School of Government on Feb. 11.

- **Food Recovery/Gleaning Initiative, Nutrition:** *NBC Nightly News* interviewed Secretary Glickman on food recovery Feb. 6.
- **Agricultural Trade:** Under Secretary for Farm and Foreign Agricultural Services August Schumacher, Foreign Agricultural Service Administrator Lon Hatamiya, and USDA's General Sales Manager Chris Goldthwait were interviewed by *Farm Journal* on Feb. 4 on the Southeast Asia situation and its affect on U.S. agricultural trade.

## Media Inquiries

- *USA Today* requested information on Korea and USDA's export credit guarantee sales program.
- *Los Angeles Times* asked about meat irradiation.
- *NBC News* requested information about hunger in the United States and was provided information from USDA's 1997 study on food security.
- *New York Times* requested information from USDA's Center on Nutrition Policy and Promotion on good sources of vitamin B6 and folate in the diet for an article which appeared on Feb. 4.
- *Time* requested year by year costs for the food stamp program's employment and training component.
- *Philadelphia Inquirer* requested information about the requirement for all states to convert to electronic benefits transfer (EBT) issuance for food stamps by 2002.
- *New York Daily News* requested a state-by-state breakdown of the number of legal aliens expected to get restored food stamp benefits.
- *National Geographic* is producing a videotape and teacher's guide on USDA's Food Guide Pyramid for children.
- *The Wall Street Journal* contacted the Forest Service concerning any benefit Senate Majority Leader Lott may have received from federal money used to fund natural resource projects in Mississippi.
- *Chicago Tribune* contacted USDA concerning the effects of NAFTA on U.S. agriculture.
- For an upcoming story, *New York Times* requested USDA information on potato genetic engineering research.
- *Discovery Channel* will interview a National Arboretum official about new USDA-developed elm trees that resist Dutch elm disease. *USA Today* recently ran a front-page story after learning about the research.

## **VIII. FOIA REQUESTS**

- A USDA official in Kentucky worked with the Coalition for Health and Agriculture Development, Inc. concerning a FOIA request for name and addresses of tobacco quota owners in the state.

## **IX. WEEKEND CONTACT**

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February 18, 1998

**MEMORANDUM FOR THE PRESIDENT**

**Through:** The Honorable Erskine Bowles  
**From:** Secretary Dan Glickman  
**Subject:** Report for Week of February 18, 1998

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**I. KEY DEPARTMENT NEWS**

- **Secretary recognized for Civil Rights achievements:** On February 17, on behalf of all 18 1890s colleges and universities, Langston University President Ernest Holloway presented Secretary Glickman an award recognizing his leadership on civil rights issues at USDA.
- **Secretary amplifies President's Food Safety Initiative:** On February 18, Secretary Glickman held a public forum on Food Safety and Public Health with Rep. Debbie Stabenow at the National Food Safety and Toxicology Center on the campus of Michigan State University in East Lansing, MI.
- **Secretary unveils USDA contribution to Clean Water Initiative:** Secretary Glickman will join you, The Vice President, and EPA Administrator Browner on February 19 in Baltimore, MD for the announcement of the Administration's Clean Water Action Plan, the initiative to fulfill the original goals of the Clean Water Act.
- **USDA responds to Asian Financial Crisis:** On February 12, Secretary Glickman joined Secretary Rubin and Chairman Greenspan for a briefing of the House Agriculture Committee on the agricultural implications of the Asian financial crisis and the importance of the IMF assistance package. Following the briefing, Chairman Smith, Ranking minority member Stenholm, and 40 major agricultural groups announced their support for the IMF replenishment.
- In recent weeks, Korea has purchased, using USDA's Export Credit Guarantee program, 20% of total U.S. Cotton Sales.

- **USDA plan to protect and conserve Minnesota River:** Deputy Secretary Rominger will announce the Minnesota Conservation Reserve Enhancement Program (CREP), a new \$100 million Federal-state initiative to improve the Minnesota River at a ceremony in Bloomington, Minnesota, on February 19. A voluntary program to encourage conservation practices on 190,000 acres throughout the river's watershed.
- **USDA prepares for California Flood Recovery:** USDA has made available low-cost emergency loans to farmers in the 47 California counties covered by the Presidential disaster declaration and is standing by with money from the Emergency Conservation Program, if necessary, to help rehabilitate farmland damaged by flooding, and with Federal crop insurance and the Non-insured Crop Disaster Assistance Program (NAP) for those who suffer crop losses from the heavy rains and flooding.
- **USDA responds to Northeast:** To date, USDA has provided more than \$4.5 million under the Emergency Conservation Program (ECP), to rehabilitate farmland damaged by a natural disaster for fence repair and removal of debris to farmers in New England recovering from January's ice storms.
- **USDA and HUD Launch Joint Project to Help Public Housing Residents:** On February 10, 1998, USDA Secretary Dan Glickman and Housing and Urban Development (HUD) Secretary Andrew Cuomo signed a Memorandum of Understanding to bring USDA's nutrition and education programs to public housing facilities in eight pilot sites — Boston, MA; Baltimore, MD; Charleston, SC; Dallas, TX; Detroit, MI; Jefferson City, MO; Oakland, CA, and Seattle, WA.
- **USDA insists on compliance with new Food Safety requirements:** USDA has turned down the National Turkey Federation's appeal to disregard the time and temperature requirements for regulations governing USDA's new food safety system, HACCP, after USDA discovered that several turkey plants were not meeting requirements for carcass cooling. In their HACCP plans, plants must provide steps that will ensure that the normal internal temperature of the birds reaches 40°F in 8 hours and for corrective action if the temperature is not achieved.
- **USDA enforces new Food Safety rules:** On February 11, USDA withheld inspections, effectively closing the hog-slaughtering department at Spectrum Preferred Meats, Mt. Morris, IL, for basic noncompliance with *E. coli* testing requirements and criteria; Based upon corrective measures the plant took, slaughter operations were allowed to resume on Feb. 12.
- On February 12, USDA officials stopped production of one of six lines at Perdue Farms, Inc., Lewiston, NC, because, the plant could not maintain zero tolerance standards; Following corrective actions, the line restarted on February 12.

- On February 12, USDA stopped all four eviscerating lines at Carolina Golden Products Company's Sumter, SC, because, the plant could not maintain zero tolerance standards; as a result, USDA retained approximately 80,000 pounds of whole carcass product.
- On February 13, USDA shut down the chicken neck operation at Perdue Farms, Inc., Dillon, SC, because the plant designated formerly inedible chicken necks as edible and had allowed them to rise to unacceptably high levels. The plant is voluntarily recalling and will destroy approximately 22,400 pounds of product.
- **Peanut Butter Recall:** USDA has asked the State of California to recover 547 cases of peanut butter supplied to the school lunch program in December, 1997, although not a health hazard, contained trace amounts of a herbicide not approved for usage on peanuts.
- **Florida Requests Food Stamp Waiver to Test Privatization:** On February 6, 1998, Florida submitted a request to the USDA to test the feasibility of transferring food stamp eligibility determinations in 5 counties to the private sector.
- **Electronic Benefit Transfer (EBT) Anti-Fraud System now Nationwide:** USDA has completed nationwide deployment of the anti-fraud locator using the EBT retailer transactions system, popularly known as "ALERT," used by compliance branch investigators and the Office of Inspector General to identify food stamp trafficking.
- **USDA to help coordinate Children's Health Insurance Program (CHIP) Outreach:** USDA officials are participating in an Interdepartmental Work Group to develop strategies to reach uninsured children who may be eligible for health insurance coverage under the Children's Health Insurance Program (CHIP).
- **Forest Service assists in search for Bombing Witness:** During the week of February 8, Forest Service Law Enforcement Officers assisted the Federal Bureau of Investigation (FBI) in searching the Nantahala (NC), Cherokee (TN), and Chattahoochee (GA) National Forests for Eric Rudolph, believed to be a witness to the recent Birmingham, Alabama, abortion clinic bombing.
- **Kidnapper Pleads Guilty:** On February 6, Stephen Doyle pleaded guilty to kidnaping and assaulting a Willamette National Forest (OR) employee in late August 1997; sentencing is set for April 21
- **Arkansas Summer Food Service Case Referred to U.S. Attorney:** USDA's Office of Inspector General referred to the U.S. Attorney in Little Rock, Arkansas a case of fraudulent claims drawn on the summer food service by the Community Organization for Poverty Elimination of Pulaski and Lonoke Co., Inc. for \$660,025.

- **USDA to drop export projections:** The latest U.S. agricultural exports outlook for fiscal 1998 will be released at the USDA Outlook Forum on February 23. Exports are expected to drop from earlier estimates, reflecting strong corn export competition from Argentina and China, as well as reduced demand for feed grains in Asia due to the financial crisis. Imports, however, are expected to remain relatively unchanged, reducing the projected agricultural trade surplus that had been forecast in December 1997.

- **USDA Highlights President's IMF Initiative:** While opening USDA's Annual Outlook Conference February 23, Secretary Glickman reiterated the importance of the President's IMF initiative to agricultural exports. The Secretary's comments were echoed by several other conference speakers who included Senator Lugar, who joined the Secretary for the opening session, senior USDA trade officials, and Deputy Secretary of the Treasury Lawrence Summers, who addressed the conference's banquet session on February 23. This year's conference attracted over 1000 attendees and more than 60 representatives of the media.
- **USDA Responds to Storm Damage:** USDA continues to provide the Federal Management Administration with damage assessment reports, and is making emergency loans available to farmers in designated disaster areas, which now total 51 counties in California.

USDA has allocated an additional half million dollars for the Environmental Conservation Program, bringing the total to more than \$5.2, to help farmers in Massachusetts, Maine, New Hampshire, New York, and Vermont to rehabilitate damaged acreage and farm structures, including fence repair and debris removal.

On February 20, local USDA offices concluded the sign-up period for the Livestock Indemnity Program activated, January 20 for blizzard related losses ranchers in Colorado, Nebraska, and Kansas suffered last.

USDA has authorized ten counties in Kentucky, hard hit by heavy snows, to issue replacement food stamps to households whose food supplies spoiled during lengthy power outages.

USDA has in provided \$1.5 million emergency watershed protection funds to 8 California counties.

- **USDA Enforces New Food Safety Rules:** On Feb. 18, USDA meat inspection officials stopped ham production at Thorn Apple Valley Deli & Smok, Detroit, MI. Because the plant failed to verify proper handling temperatures. After the deficiency was corrected, USDA allowed it to resume operations on February 20.

On Feb. 19, USDA meat inspection officials suspended production at Gold Medal Packing, Rome, NY. for its failure to comply with E. coli testing requirements. After submitting a corrected monitoring plan, operation resumed on February 20.

- **Half Million Pounds of Food Contributed in Winter Food Drive:** USDA's highly successful winter food drive ended February 14, 1998, with employees donating a total of 499,117 pounds of food. Joining USDA in the food drive were the Departments of Labor, Housing and Urban Development, Transportation, Education, Treasury, Commerce, Interior, State, and USIA, who raised over 12,000 pounds. Recipients of the donations include: the Pine Ridge Indian Reservation food bank, which had been closed since January for lack of food; the Dekalb County Resource Center Against Domestic Violence; Chicago's Kid's Cafe, serving the Cabrini Green housing projects; the North Texas Food Bank; the San Francisco Food Bank; the Mercer Street Friends Cooperative in New Jersey; the Chelsea Community Kitchen in Boston; and the Capitol Area Community Food Bank in Washington, D.C.
- **USDA KICKS OFF "Operation Safe House" to Eliminate Financial Abuse and Fraud in Rural Multi-Family Housing:** On February 24th, 1998, USDA Housing officials and Inspector General will launched Operation Safe House in Chicago, to stamp out financial abuse and fraud in rural Multi-Family Housing.
- **Forest Service Cancels Agreement with National Forest Foundation:** On February 11, the Forest Service canceled its agreement with the National Forest Foundation, terminating the foundation's ability to use Smokey Bear in its promotional campaign with Subaru of America and directed the foundation to ensure that Forester vehicles appearing at auto shows do not bear the Forest Service shield and directed the foundation to remove the "Official Vehicle" decal from all Forester vehicles donated to the Forest Service. The contract was the subject of a ABC News Primetime Live report that aired on February 18.
- **USDA Considers Floor on Milk Prices:** USDA held public hearings February 17-20 during which witnesses testified on USDA's proposal to set a floor under milk prices during the implementation of the dairy reform proposal USDA announced January 27.

- **USDA Boosts Dairy Exports:** During February 12-18, USDA approved subsidies to facilitate the export of 350 metric tons of dairy products to destinations in Latin America, Africa, and the Middle East.
- **USDA Increases Export Financing Assistance:** On February 17, USDA increased by \$500 million the amount of operational credit guarantees available to U.S. exporters for sales of U.S. agricultural commodities to Mexico.
- **USDA Participates in Clean Water Initiative:** On February 19, President Clinton and Vice President Gore announced in Baltimore, Maryland, a new strategy for addressing water problems that focuses on greater Federal, State, and local integration through a watershed approach and accelerating watershed and ecosystem restoration.
- **National Forests in Southern California Welcome Film Industry:** On February 20, the Forest Service, California Film Commission, and several county film commissions, signed an agreement to streamline the approval process for filming on national forests land in southern California, reducing the time for processing film permits from 2 weeks to about 72 hours.
- **USDA Gets New CFO:** Secretary Glickman will swear-in USDA's new Chief Financial Officer, Sally Thompson, for Kansas State Treasurer, on March 2.
- **Commodity Markets in Review:** Wheat cash and futures prices fell last week, as foreign competitors continue to undercut U.S. prices. Cash prices for corn held steady on slow farmer sales, but futures dropped as Argentina has aggressively pursued U.S. customers overseas. Soybean prices slumped on a slowing export pace and weakening soybean meal prices. Cash rice prices remained firm, but futures declined in sympathy with other agricultural commodities. Cotton prices fell following stories that China would impose an import quota and concern over continued turmoil in Indonesia. Steer prices rose in very thin trading, but fundamentals remain poor. Hog prices continued to spiral downward, as export demand remains sluggish. Broiler prices moved up slightly, as buyers take advantage of low prices and ample supplies. Cheese and butter prices remained steady.

Average prices for the week ending February 20, 1998

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.49	-0.06	-0.99
Corn \$/bu	2.66	0.00	-0.14
Soybeans \$/bu	6.73	-0.08	-1.01
Rice \$/cwt	10.69	0.00	-1.53
Cotton ¢/lb	62.85	-1.56	-6.89
Steers \$/cwt	62.47	+3.05	-2.52
Hogs \$/cwt	34.67	-0.68	-15.13
Broilers ¢/lb	55.67	+0.84	-5.39
Cheese \$/lb	1.43	0.00	+0.10
Butter \$/lb	1.30	0.00	+0.25
Milk \$/cwt	13.22	-0.04	NA

## II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **Support for the IMF:** USDA officials continue to support the Administration's efforts to gain support for the IMF. The Asian financial crisis and the need to support the IMF were highlighted at the World Agricultural Outlook Forum, by Secretary Glickman, Under Secretary Schumacher, and other USDA officials, and by Deputy Treasury Secretary Lawrence Summers.

While opening USDA's Annual Outlook Conference on February 23, Secretary Glickman reiterated the importance of the President's IMF initiative to agricultural exports. The Secretary's comments were echoed by several other conference speakers who included Senator Lugar, who joined the Secretary for the opening session, senior USDA trade officials, and Deputy Secretary of the Treasury Lawrence Summers, who addressed the conference's banquet session on February 23. This year's conference attracted over 1000 attendees and more than 60 representatives of the media.

- **President's Initiative on Race:** On March 2, Secretary Glickman will hold an all employee meeting marking the 1 year anniversary of the release of his Civil Rights Action Team report, which contained 92 recommendations, 90 of which have been or are being implemented.
- **Welfare Reform Update:** During the period from February 17, 1998, through February 24, 1998, FNS approved a request from Idaho for two waivers from the provisions of the welfare reform law that limits food stamp participation to 3 months in any 36-month period for able-bodied adults between the ages of 18 and 50 without dependents unless the individuals are employed for an average of 20 hours a week or are participating in a work program. Five Indian reservations in Idaho were included in the waivers—three on the basis of an unemployment rate in excess of 10 percent, and two on the basis of insufficient job opportunities.

### III. NOTABLE CONGRESSIONAL ACTIVITY

- On February 25, the House Resources Committee will hold a hearing on H.R. 2756, a bill to authorize an exchange of property between the Kake Tribal Corporation and the Sealaska Corporation and the U.S., H.R. 2812, a bill to provide for the recognition of certain native communities under the Alaska Native Claims Settlement Act, H.R. 3087, a bill to require the Secretary of Agriculture to grant an easement to Chugach Alaska Corporation, and H.R. 3088, a bill to amend the Alaska Native Claims Settlement Act regarding Huna Totem Corporation public interest land exchange; Jim Lyons, Under Secretary for Natural Resources and Environment, will testify.
- On February 25, the Senate Energy and Natural Resources Subcommittee on National Forests and Public Lands will hold a hearing on the use of specialty forest products from the National Forests; Ron Stewart, Deputy Chief for Programs and Legislation, U.S. Forest Service, will testify.
- On February 26, the House Resources Subcommittee on National Parks and Public Lands will hold a hearing on the implementation of the Recreational Fee Demonstration Program. Lyle Laverty, U.S. Forest Service, will testify.
- On February 26, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies will hold a hearing on FY1999 Agriculture Appropriations. Miley Gonzalez, Under Secretary for Research, Education and Economics will testify.
- On February 26, The House Agriculture Subcommittee on Livestock, Dairy, and Poultry will hold a hearing to review livestock, dairy, and poultry trade between the United States, Australia, and New Zealand.

- On February 26, the Senate Appropriations Subcommittee on Agriculture, Rural Development and Related Agencies will hold a hearing on FY'99 Agriculture Appropriations (Natural Resource Conservation Service). Jim Lyons, Under Secretary for Natural Resources and Environment.
- On March 3, the Senate Energy and Natural Resources Committee will hold a hearing on FY'99 Budget for the Forest Service.
- On March 3, the House Agriculture Subcommittee on Department Operations, Nutrition and Foreign Agriculture will hold a hearing to review legislation to reform information technology procurement at USDA to ensure year 2000 compliance.
- On March 3, the Senate Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies will hold a hearing on FY'99 Agriculture Appropriations (Rural Development). Jill Long Thompson, Under Secretary for Rural Development, will testify.
- On March 3, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies will hold a hearing on FY'99 Agriculture Appropriations (Rural Development). Jill Long Thompson, Under Secretary for Rural Development, will testify.
- On March 4, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies will hold a hearing on FY1999 Agriculture Appropriations (Food Nutrition and Consumer Service).
- On March 4, the House Agriculture Committee will hold a hearing on H.R. 2515, addressing the declining health of forests on federal lands in the U.S. through a program of recovery and protection consistent with the requirements of existing public land management and environmental laws, to establish a program of inventory, monitor, and analyze public and private forests and their resources.
- On March 5, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies will hold a hearing on FY1999 Agriculture Appropriations (Departmental Administration, Chief Financial Officer and Chief Information Officer).
- On March 5, the House Agriculture Subcommittee on Forestry, Resource Conservation and Research will hold an oversight hearing on the EQIP program.
- On March 5, the Senate Agriculture, Nutrition and Forestry Committee has scheduled a hearing on the Kyoto Global Warming Pact.

#### **IV. SECRETARY'S SCHEDULE**

- On Mar. 2, Secretary Glickman will address National Association of State Departments of Agriculture mid-year meeting.
- On Mar. 2, Secretary Glickman will lead a ceremony marking the one year anniversary of USDA' Civil Rights Initiative.
- On Mar. 2, Secretary Glickman will swear-in Sally Thompson as the new CFO.
- On Mar. 3, Secretary Glickman will participate in a school breakfast event in Philadelphia.
- On Mar. 4, Secretary Glickman will participate in the Community Empowerment Board meeting with the Vice President.
- On Mar. 4, Secretary Glickman will depart for Paris, France for the Committee for Agriculture of the Organization for Economic Cooperation and Development.

#### **V. DEPUTY SECRETARY'S SCHEDULE**

- On Feb. 27 - Mar. 3, Deputy Secretary Rominger will make remarks and attend the 79<sup>th</sup> Annual Agricultural Council of California Conference in Monterey, CA
- From Mar. 5 - Mar. 8, Deputy Secretary Rominger will make remarks and attend the Sustainable Agricultural Research and Education Program Conference in Austin, TX.

#### **VI. SUB-CABINET SCHEDULE**

- On Mar. 5, Under Secretary for Food, Nutrition, and Consumer Services Shirley R. Watkins: will participate in a school breakfast event in Boston, MA.
- On Mar. 5, Under Secretary for Natural Resources and Environment Jim Lyons will participate in a Salmon MOU Signing Ceremony with Gov. Locke in Olympia, WA.
- On Mar. 6, Under Secretary for Rural Development Jill Long Thompson will address the National Farmers Union a Annual Convention in Albuquerque, NM.

## VII. PRESS/MEDIA INQUIRIES

- On February 18, FAS General Sales Manager Chris Goldthwait participated in a one-hour radio interview and call-in show with Agri-Talk Radio Network in Kansas City. The financial situation in Asia and the effect on U.S. agricultural exports was the topic of discussion
- On March 9, ABC News plans to run a story about a new GAO report on food stamps issued to dead people. ABC has asked FNS how many states cross check their food stamp issuance rolls against Social Security death records—information the agency does not collect. The report is not expected to be officially released until March 9, however GAO has provided restricted copies to Sen. Richard Lugar and understands that Lugar's office is working with ABC on the story.
- Under Secretary Shirley Watkins was interviewed by Food Service Sampler magazine on February 18, 1998, for a profile in the monthly magazine's "Who's Who" column.
- Consumer Reports subscribers received their issues with a story about bacteria found in a retail survey of chicken. Under Secretary Woteki was interviewed by the New York Daily News and the Washington Post for reaction to Consumer Reports. The Associated Press, CNN and several trade press also inquired about the Consumer Reports article on poultry. On Feb. 23, CNN interviewed Deputy Under Secretary Wilcox on the Consumer Reports story.
- FSIS Field Operations staff prepared extensive material for Cox Newspaper Service in advance of a Feb. 22 story about inspection shortages and what Cox described as missed inspection tasks. A letter to the Cox editors is being prepared to answer inaccurate and misleading statements contained in the story.
- ABC will film a story next week at the Boston Human Nutrition Research Center on Aging for planned airing March 21 at 10 p.m. for the premier of "The Pulse," a new weekly ABC News magazine show on medical news. The Boston segment will be about a diet study involving about 90 sets of identical twins, some raised together, some raised in separate adoptive families. Researcher Susan Roberts and colleagues are in the fifth and final year of the study aimed at answering questions about genetic versus environmental influences on topics including energy regulation, food selection, energy expenditure, body fat and body composition. The study is larger and more comprehensive than other twin studies designed to gain knowledge on genetic/ environmental influences. The show's on-air reporter is well known TV medical journalist Dr. Nancy Snyderman.

## Amplification:

- **President's Clean Water Initiative:** Secretary Glickman joined President Clinton in an event in Baltimore, Maryland, February 19 to announce the Clean Water Action Plan. Following the announcement, Secretary Glickman and EPA Administrator Carol Browner briefed the White House travel pool on the details of the program. In addition, Under Secretary for Natural Resources and the Environment James Lyons spoke with several reporters following the briefing, including Jody Warrick of The Washington Post, and held a follow-up interview with the Jackson Mississippi Clarion-Ledger.
- **IMF:** The Secretary addressed the Department of Agriculture's 74th Outlook Forum February 23 in Washington, D.C. His speech focused on IMF and the President's balanced budget. The heavy media coverage included, but was not limited to, the Associated Press, Reuters, Bridge News, Webster Ag Letter, Bloomberg, Dow Jones, Farm Journal, Sparks, American Meat Institute newsletter, Kiplinger Ag Letter, Copley News Service, Hispanic Business magazine, Des Moines Register, Food Chemical News, Organic Food Business, American Farm Bureau press, Dallas Morning News, Restaurants Today, Milling & Baking News, Northwest Newspapers, Top Producer, Omaha World Herald, American Farm Business Federation publications, Inform, First Business TV (U.S. Chamber of Commerce), Dairy Profit Weekly, Dairy Feed, Delta Farm Press, the National Rural Electric Cooperative television feed, and USDA television and radio for feeds to Ag broadcasters throughout the country.

Deputy Secretary Richard Rominger amplified the President's position on IMF during an interview with radio station WBYR, Bismarck, North Dakota, February 17. He also discussed small farm issues.

- **Conservation, Environment:** Deputy Secretary Richard Rominger and Minnesota Governor Arne Carlson, joined by Senator Paul Wellstone and Representative David Minge, signed a joint federal-state initiative in Bloomington, Minnesota, February 19; the initiative is to improve the Minnesota River. The agreement forms a partnership, the Minnesota River Watershed Conservation Reserve Enhancement Program (CREP). Two local television stations -- the ABC affiliate covering Minneapolis-St. Paul and the CBS affiliate covering Mankato -- National Public Radio, Associated Press, Minnesota News Service, and several local newspapers covered the event; the Minneapolis Star-Tribune had run a pre-event story on the CREP program February 14. In addition, Deputy Secretary Rominger held a few one-on-one interviews.
- **Nutrition Education:** USDA Food and Nutrition Service's Southeast Regional Administrator Virgil Conrad and the HUD State Coordinator for South Carolina, joined by the mayor of Charleston and other local officials, signed an agreement that will provide nutrition and health services for housing residents, specifically mothers, infants, children, and the elderly. This is one of eight cities nationwide participating in the pilot

program that helps communities solve their own problems by providing services to families through federal, state, and local partnerships. The signing ceremony was covered by WCIV-TV, the NBC affiliate and the Charleston Post and Courier. Under Secretary Shirley Watkins's participation in the Detroit pilot program kick-off event, February 11, which was covered in last weeks' report, was covered by WDIV-TV (NBC affiliate), WKDB-TV, WDET-FM, and the Detroit News. The Dallas kick-off event attracted coverage by the Fox affiliate and Telemundo-Spanish. Media events for the new USDA/HUD agreement are planned for Oakland, California, February 24, and later in the year for Seattle, Washington.

- **Feeding the Hungry:** Secretary Glickman spoke at the awards ceremony for the USDA Food Drive, which collected a half million pounds of food and canned goods. Other federal departments participated and attended the event. The Associated Press and Reuters covered the ceremony, and asked questions about trade, research, and the school breakfast program.

#### **VIII. FOIA REQUESTS**

- No Information to report

#### **IX. WEEKEND CONTACT**

Greg Frazier  
Home: 202-543-7643  
Pager: 1-800-710-5528

March 3

**Memorandum to The President**

**Through:** The Honorable John Podesta

**From:** Secretary Dan Glickman

**Subject:** Report For Week of February 28

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**USDA Fact of the Week**

At 2.19 million, the number of US farms in 1998 actually increased over the 1997 level, but total acreage declined by 2.2 million acres. USDA's most recent report of farms and land in farms also documents the growing bi-polarization of agriculture: the number of farms earning less than \$10,000 annually, and more than \$100,000 per year increased, as the number of medium-sized farms dropped.

**I. KEY DEPARTMENT NEWS**

- **Secretary Presses President's Supplemental Funding Request:** On March 3, Secretary Glickman, joined by senior White House staff, met with Democratic members of the House Agriculture Committee and agricultural appropriations subcommittee about your request for \$153 million in supplemental FY99 funding for USDA's farm credit programs and field office staff, in preparation for the full House Appropriations Committee's march 4 consideration of the proposal. The Secretary's push for the request follows his release of a statement February 26 urging quick congressional approval of the funding.
- **USDA Officials Attempt to Resolve EU Hormone Ban:** On March 4, USDA officials will meet with representatives of the EU in another attempt to resolve, before the May 13 deadline, the dispute over the EU's blocking of US beef raised with growth promoting hormones. Unless the EU drops its unacceptable conditions and complies with the WTO's decision affirming the US position, this high profile dispute could further escalate, affecting shipments beyond beef.
- **Secretary Glickman Promoting Farm Message:** In speeches to the GA State Legislature on March 4, the annual conventions of the National Pork Producers Council in Nashville, TN on March 5, and the National Farmers Union in Springfield, IL on March 8, Secretary Glickman will be stressing the need for Congress to act swiftly on

your FY99 supplemental spending request for USDA, and your commitment to strengthening the farm safety net by reforming crop insurance.

In separate but related developments, on March 2, USDA officials testified before the Senate agricultural appropriations subcommittee on USDA's responses to the growing crisis in the farm economy, and will appear before a subcommittee on the House Agriculture Committee on March 4 to discuss how the slump in commodity prices has generated an exponential increase in demand for and payments under USDA's loan deficiency payment program, by which farmers receive payments when the market price is lower than the farm bill-established loan rate. USDA also expects the House Agriculture Committee to conduct a hearing within the next 2 weeks concerning USDA's implementation of the disaster and income loss assistance programs, included in the FY99 budget bill.

On March 10, both the House and Senate agriculture committees will hold hearings on improving crop insurance, and at both, USDA officials will present the principles and recommendations released in conjunction with the release of the FY00 budget.

- **USDA Protecting Fragile Crop Land:** On March 5, USDA will announce enrollment of another 5 million acres into its Conservation Reserve Program (CRP), the largest Federal soil and water conservation program, by which farmers agree to retire farm land from production and make conservation improvements to it, in return for Federal cost sharing assistance and annual rental payments. Based on bids received from farmers last fall, acceptances from this sign up continue the progress USDA has made in improving the program's environmental benefits, since enactment of the 1996 farm bill.
- **USDA Ready to Assist Dairy Farmers:** On March 5, USDA will release its next monthly report of the milk basic formula price (BFP), the benchmark Federal dairy price, and estimates as of this writing project that it will show dairy prices in February fell another \$5.00 per hundredweight (cwt), settling about 35% from its December, 1998 level. On March 8, in an address before the annual convention of the National Farmers Union in Springfield, IL, Secretary Glickman plans to announce the plans for distribution of the \$200 million included in the FY00 omnibus budget bill earmarked to help dairy farmers; under the formula, the assistance will be targeted to dairy operations with 150 or fewer cattle, providing about \$4900 per farm.
- **USDA Responds to Class Action Discrimination Hearing:** On March 8, the government will file its brief in response to the fairness hearing the federal district court for the District of Columbia held March 2 on the proposed settlement agreement in the class action discrimination complaint African American farmers have brought against USDA, a case continuing to attract considerable public, media, and congressional attention. USDA expects the judge to rule by March 12, and to approve with slight modifications, the proposed settlement reached in January.

- USDA Officials Subpoenaed to Testify on Controversial Timber Sale:** On March 10, USDA officials, along with representatives of the Justice Department and CEQ, will testify before a special task force of the House Resources Committee investigating the Warner Creek (OR) timber sale; environmentalists protesting the controversial sale occupied the site for 11 months prior to being removed by law enforcement personnel in August, 1996, and after the Forest Service and timber company negotiated a settlement agreement that, among resolving other disputes, canceled the sale. The incident attracted considerable public, media, and congressional attention. The task force has been inquiring into whether the Administration moved to cancel the sale for political reasons.
- Commodity Markets in Review:** Wheat cash and futures prices fell last week on concerns about large US supplies and strong overseas competition. Corn cash and futures dropped on spillover pressure from soybeans and the impending harvest of a large Argentina crop. Rice futures moved down on prospects for a large 1999/2000 crop, but cash held steady. Soybean prices plummeted, in response to a deterioration in Brazil's *real* and burgeoning world supplies. Cotton prices rose on higher-than-expected reports of domestic use. Cattle prices advanced as details on the Russian meat deal became clear. Cash hog prices moved slightly higher, following wholesale pork prices, but futures dropped. Broiler prices slipped as prices of parts continue to fall. Butter prices were up slightly, as buyers added to stocks in anticipation of heavy seasonal demand later in the spring. Cheese prices were unchanged.

**Average prices for the week ending February 26, 1999**

Commodity	Weekly cash price	Change from a week ago	Change from a year ago
Wheat \$/bu	2.76	-0.10	-0.74
Corn \$/bu	2.07	-0.05	-0.59
Soybeans \$/bu	4.59	-0.18	-2.13
Rice \$/cwt	8.50	0.00	-2.19
Cotton ¢/lb	55.10	+0.63	-7.64
Steers \$/cwt	62.72	+0.65	0.25
Hogs \$/cwt	26.43	+0.38	-8.32
Broilers ¢/lb	59.07	-1.23	3.85
Cheese \$/lb	1.33	0.00	-0.02
Butter \$/lb	1.36	+0.02	0.01
Milk \$/cwt	10.69	-0.38	NA

## II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **President's Food Safety Initiative:**

- **Controversial Meat Plant Set to Resume Production:** On March 3, Bil Mar Foods of Zeeland MI, the source of an outbreak of listeria-contaminated meat products, plans to resume production of certain products. The plant, owned by Sara Lee Corporation and producing meat products sold under the Sara Lee brand, has been closed since the detection of the outbreak on December 9; USDA's Food Safety and Inspection Service has worked with plant officials to prevent a recurrence of the outbreak.

- **President's Initiative on Race:**

- **USDA Responds to Class Action Discrimination Hearing:** On March 8, the government will file its brief in response to the fairness hearing the federal district court for the District of Columbia held March 2 on the proposed settlement agreement in the class action discrimination complaint African American farmers have brought against USDA, a case continuing to attract considerable public, media, and congressional attention. USDA expects the judge to rule by March 12, and to approve with slight modifications the proposed settlement reached in January.

- **President's Initiative on Welfare Reform:**

- **Secretary Interviewed on Food Stamp Caseload:** On March 3, Secretary Glickman was interviewed by the *Washington Post* about the decline in participation in the food stamp program, during which he indicated that USDA is readying administrative changes to simplify the program's administration for states, and to encourage prospective recipients to apply for assistance.
- **USDA Approves Welfare Reform Waiver:** During the week that ended March 3, USDA granted the District of Columbia a waiver from the requirements of the welfare reform bill that restrict food stamp eligibility for certain able-bodied adults.

## III. SECRETARY'S SCHEDULE

- On March 4, Secretary Glickman will address a joint session of the GA legislature on the state of agriculture, in Atlanta, GA.
- On March 5, Secretary Glickman will address the National Pork Producers' Council

Annual Pork Forum concerning low pork prices, in Nashville, TN.

- On March 8, Secretary Glickman will address the National Farmers' Union Annual Conference, in Springfield, IL.
- On March 10, Secretary Glickman will testify before the House interior appropriations subcommittee, on the FY00 Forest Service budget.
- On March 11, Secretary Glickman will attend the premier of the USDA/Discovery Channel IMAX film, *Wildfire: Feel the Heat*.
- On March 16, Secretary Glickman will attend the Africa Ministerial Meeting.
- On March 20, Secretary Glickman will hold an event to commemorate National Agriculture Day.

#### **IV. SUB-CABINET SCHEDULE**

- On March 11, Deputy Secretary Rominger will attend a Rice Utilization Workshop in Little Rock, AR.
- From March 16-19, Deputy Secretary Rominger will attend the European Voice Conference in Brussels, Belgium.
- On March 5, Under Secretary Watkins will address the Urban League in Portland, OR.
- On March 8, Under Secretary Woteki will address a Food Safety Inspection Service (FSIS) public meeting on FSIS' policy for beef products contaminated by *E. coli* O157:H7.
- On March 9, Deputy Under Secretary Wilcox is scheduled to address the Southern Peanut Farmers Association on your Food Safety Initiative.
- On March 10, Deputy Under Secretary Wilcox plans to address the International Sanitary Suppliers Association on your Food Safety Initiative.
- On March 10, Under Secretary Schumacher will testify before the House appropriations committee on the FY00 Budget.
- On March 14, Under Secretary Lyons will give the keynote address at the 1999 World Alpine Ski Championships International Conference in Vail, CO.

- On March 15, Deputy Under Secretary Wilcox will address the Public Voice on Food and Health's 22<sup>nd</sup> annual National Food Policy Conference.
- From March 16–20, under Secretary Woteki will attend a joint WHO/FAO Expert Consultation on Risk Assessment of Microbiological Hazards in Food meeting in Geneva, Switzerland, and will meet with FAO officials in Rome, Italy.
- On March 23, Under Secretary Dunn will address the Kentucky Farmers Direct Marketing Conference in Frankfort, Kentucky.
- On March 24, Under Secretary Dunn will speak at the Ag Marketing Outreach Workshop for Limited Resource Farmers in Memphis, Tennessee.

## V. PRESS INQUIRIES

- On March 3, Secretary Glickman was interviewed by the *Washington Post* about the decline in participation in the food stamp program, during which he indicated that USDA is readying administrative changes to simplify the program's administration for states, and to encourage prospective recipients to apply for assistance.
- On February 24, Forest Service Chief Mike Dombeck was interviewed by an ESPN reporter for a story in an upcoming issue of *Sports and Field*.
- On March 4, Associate Administrator Glavin is scheduled to appear on NPR's *Diane Rehm Show* to discuss irradiation; additional guests will include Caroline Smith De Waal, and Rona Applebaum of the National Food Processors Association.
- On March 7, the Discovery Channel will air *Firestorm: The Smokejumpers' Story*. The documentary discusses how wildfires strike and burn millions of acres, and threaten homes and lives. The documentary also discusses the 1998 Florida, Yellowstone National Park, and Storm King fires. The Fire Laboratory in Missoula, MT, and the McCall, ID, smokejumpers are featured throughout the documentary.

## VI. FOIA REQUESTS

- An attorney representing the New York City Department of Human Resources has submitted a request to obtain all records on contacts between USDA and advocate and legal aid societies pertaining to welfare and food assistance programs in New York City.

## VII. GRANTS, ECONOMIC ANNOUNCEMENTS AND PUBLICATIONS

- **USDA Protecting Fragile Crop Land:** On March 5, USDA will announce enrollment of another 5 million acres into its Conservation Reserve Program (CRP), the largest federal soil and water conservation program, by which farmers agree to retire farm land from production and make conservation improvements to it, in return for federal cost sharing assistance, and annual rental payments. Based on bids received from farmers last fall, acceptances from this sign up continue the steady progress USDA has made in improving the program's environmental benefits, since enactment of the 1996 farm bill.
- **USDA Ready to Assist Dairy Farmers:** On March 8, in an address before the annual convention of the National Farmers Union in Springfield, IL, Secretary Glickman plans to announce the plans for distribution of the \$200 million included in the FY00 omnibus budget bill earmarked to help dairy farmers; under the formula, the assistance will be targeted to dairy operations with 150 or fewer cattle, providing about \$4900 per farm -- see Key Department News.
- **USDA Assisting Rural Development in New York:** On March 8, USDA's Under Secretary for Rural Development will sign a memorandum of agreement with Tioga County, NY officials to implement a rural economic area partnership to facilitate USDA assistance to the area; Representative Maurice Hinchey will join Under Secretary Long Thompson at the signing ceremony.
- **USDA to Release Supply and Demand Forecasts:** On March 11, the National Agricultural Statistics Service will release survey-based production forecasts for citrus and sugarcane. USDA's projections of US supply, use, and prices of major crops for 1998/99 will be published, at the same time, in the *World Agricultural Supply and Demand Estimates* (WASDE) report. The *WASDE* report will also contain world and country-specific supply and use forecasts for wheat, corn, coarse grains, rice, cotton, soybeans, and soybean products. The report includes projections of 1998 and 1999 US livestock product and dairy supply, use, and prices.
- On March 15, USDA's Economic Research Service (ERS) will release "User-Fee Financing of USDA Meat and Poultry Inspection," a report summarizing the use of user fees for financing meat, poultry, and egg product inspection programs in other countries; user-fee systems in other Federal agencies, particularly those with food and agricultural missions or regulatory responsibilities; and the relevant economics literature on the use and design of user fees.
- On March 15, ERS will release "Feed Outlook," a report discussing changes in the 1998/99 supply and demand forecasts, with most of the focus being on Southern Hemisphere developments as crops in Argentina and South Africa near maturity.
- On March 19, ERS will release "Agricultural Outlook," featuring an overview of the outlook for U.S. agriculture in 1999 by USDA's chief economist Keith Collins.

**VIII. WASTE FRAUD AND ABUSE**

Nothing significance to report this week.

**IX. CLIMATE CHANGE**

Nothing of significance to report this week.

**X. DISASTER ASSISTANCE**

Nothing of significance to report this week.

**XI. WEEKEND CONTACT INFORMATION**

Greg Frazier

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March 4, 1998

**MEMORANDUM FOR THE PRESIDENT**

**Through:** The Honorable Erskine Bowles  
**From:** Secretary Dan Glickman  
**Subject:** Report for March 4, 1998

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**I. KEY DEPARTMENT NEWS**

- **USDA Recognized for Role in Developing Agricultural Biotechnology:** On March 2, Secretary Glickman, appearing before the National Association of State Departments of Agriculture, accepted the Biotechnology Industry Organization's first annual award on behalf of himself and the Department on efforts to promote agricultural biotechnology worldwide.
- **USDA Celebrates National School Breakfast Week:** In celebration of National School Breakfast Week, Secretary Dan Glickman joined 200 students at Thurgood Marshall Elementary School in Philadelphia on March 3, 1998, for a school breakfast, kicking off a month-long series of activities planned around the country highlighting the importance of school breakfast for children.
- **USDA Responds to Disaster Needs:** USDA extended to March 13 the sign up period for farmers and ranchers in 1 Oklahoma county and 29 Kansas counties to apply for Livestock Indemnity Program assistance, to compensate them for weather related losses suffered last fall.
- **USDA Enforces New Food Safety System, Suspending Operations at 5 Plants:** On Feb. 24, USDA food safety officials suspended operations at Murco, Inc., Plainwell, MI. Plant as a result of problems with fecal contamination and ingesta; After USDA received written assurances of corrective action provided by the plant, it resumed production on Feb. 26.

On Feb. 25, USDA suspended operations at Barber Foods in Portland, ME. For the plant's failure to comply with critical control points in its HACCP plan; USDA is continuing to investigate.

On Feb. 25, USDA inspection officials suspended operations at Center State Beef and Veal, Inc., Cortland, NY, based on the plant's failure to comply with E. coli testing requirements; USDA allowed the plant to resume operations later that day based on written assurances of corrective measures provided by the plant.

On Feb. 26, USDA officials in Little Rock, AR, suspended wiener production at Brian Foods, Smokey Hollow, AR. due to a failure to comply with critical control points in its HACCP plan; compliance officer has been sent to the plant to conduct an investigation.

On Feb. 26, USDA inspection officials suspended chicken product operations at a Tyson Food, Inc., plant in Center, TX, because of failure of the plant's HACCP system to prevent poultry product from being contaminated with fecal material; compliance officer was sent to the plant to conduct an investigation.

USDA has approved Florida's request to use USDA food stuffs for congregate meal service in shelters run by the American Red Cross and the Salvation Army in Osceola, Orange and Seminole Counties, recently devastated by tornadoes.

USDA is distributing emergency food packages to 50 households in the Navajo Nation cut off from food supplies by severe weather and impassable roads.

- **Center for Public Integrity Questions Meat Industry Influences on Congress:** On Feb. 26, the Center for Public Integrity released a report titled "Safety Last--The Politics of E. coli and Other Food borne Killers," that highlighted several statements: (1) not one food safety bill has been forwarded out of either the House or Senate Agriculture Committees to the floor in the last 10 years; (2) the food industry has provided over \$41 million in campaign contributions and honors to lawmakers over the past 10 years; (3) Congress and the meat industry in the past have opposed granting the Secretary mandatory recall authority; and (4) Congress opposed the 1997 user fee proposal that would have required the food industry to support government inspection of meat, poultry, and egg products.
- **Forest Service Announces Natural Resource Agenda:** On Mar. 2, Chief Mike Dombeck announced a Forest Service National Resource Agenda for the 21st Century in a speech to Forest Service employees. The agenda significantly increases watershed health improvements, promotes sustainable forest management, enhances outdoor recreation, and will result in a forest road policy that meets the needs of Americans and protects the environment.
- **USDA to Provide \$24 million to Improve Fish and Wildlife Habitat:** On Feb. 27, Secretary Dan Glickman announced that USDA's Wildlife Habitat Incentives Program (WHIP) will provide \$24 million during FY 1998 to help landowners improve fish and wildlife habitat on their private lands.

- **USDA assists Rural Development Activities:** As of Feb. 26, USDA has financed 133 community facility projects, providing \$48, 173, 472 in loans and grants this fiscal year.

18,661 rural families have safe, affordable housing as a result of \$967.9 million in financing USDA has provided this fiscal year, which also created 15,455 jobs.

USDA's rural business and cooperative financing has created and saved 12,163 jobs since Oct. 1, 1997, by provided \$411.9 in financing to 412 rural economic development and business projects.

- **USDA Research Produces record Louisiana sugar cane crop:** Louisiana's sugarcane yield per acre, 31.6 tons, in the most recent harvest is an all-time record. USDA scientist working with state and industry scientists developed all 9 varieties of cane planted in 1997 in the state.
- **USDA Prepares for 1998 Wildfire Season:** USDA will participate in the annual National Interagency Fire Meeting on Mar. 11, in Portland, OR. To discuss 1998 fire preparedness, safety accountability across agency lines, and status of implementation of the Federal Wildland Fire Policy with representatives from the National Association of State Foresters, National Park Service, Fish and Wildlife Service, Bureau of Land Management, Bureau of Indian Affairs, and National Weather Service will attend.
- **USDA Investigates Pennsylvania Dairy:** USDA's Inspector General is investigating Bechtel Dairy, located in Royersford, Pennsylvania for misbranding and adulterating milk supplied to school districts, Federal government facilities, nursing homes, hospitals, and retail stores in southeastern Pennsylvania.
- **USDA Boosts Dairy Exports:** From Feb. 19 -25, USDA approved subsidies to facilitate the export of 758 metric tons of dairy products to destinations in a Latin America, Africa, and the Middle East.

In related news, U.S. dairy exports reached \$904 million in 1997, a 27 percent increase over 1996, mostly due to sharply higher shipments of milk powders through USDA's Dairy Export Incentive Program.

- **New York Senate Approves Dairy Compact Legislation:** On February 23, 1998, the New York Senate passed legislation authorizing New York to join the Northeast Interstate Dairy Compact; the legislation now goes to the New York Assembly for consideration.
- **USDA to Issue Supply and Demand Forecasts on Mar. 12:** USDA's projections of U.S. and world supply, use, and prices for 1997/98 will be published on Mar. 12 in the World Agricultural Supply and Demand Estimates (WASDE) report. Commodity traders will examine domestic use and export forecasts for wheat, corn, soybeans and products, sugar,

and cotton. The WASDE report will also feature country-specific supply and use forecasts for wheat, coarse grains, rice, cotton, soybeans, and soybean products. Southern Hemisphere developments, particularly for Argentina, Australia, Brazil, and South Africa, will be the market focus. The report will include projections of 1997 and 1998 U.S. livestock product and dairy supply, exports, domestic use, and prices.

- Commodity Markets in Review:** Wheat cash and futures prices rose last week, on weather concerns and improved export prospects. Corn prices fell, as the record crop coming from Argentina continues to undermine U.S. exports. Rice prices dropped, pressured by concerns over the financial situation in Southeast Asia. Soybean prices declined as the Brazilian crop races to maturity and exports remain sluggish. Cotton prices strengthened following a good export sales report and indications of robust domestic mill use. Cattle, hog, and broiler prices all declined, pressured by large meat supplies. Cheese prices fell, showing their normal seasonal weakness. Butter prices also dropped, as current high prices have discouraged inventory accumulation.

Average prices for the week ending February 27, 1998

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.52	+0.02	-0.90
Corn \$/bu	2.65	-0.01	-0.23
Soybeans \$/bu	6.57	-0.15	-1.28
Rice \$/cwt	10.42	-0.27	-1.80
Cotton ¢/lb	63.66	+0.92	-7.72
Steers \$/cwt	59.14	-3.33	-9.37
Hogs \$/cwt	32.70	-2.11	-17.80
Broilers ¢/lb	55.08	-0.14	-5.63
Cheese \$/lb	1.35	-0.08	+0.02
Butter \$/lb	1.26	-0.04	+0.21
Milk \$/cwt	13.26	+0.04	NA

## II. USDA WORK ON PRESIDENTIAL INITIATIVES

- **USDA Amplifies President's IMF Initiative:** In remarks, before the National Association of State Department's of Agriculture, Mar. 2, Secretary Glickman expressed the importance for the agricultural community to support the IMF assistance package, to sustain the flow of agricultural exports to these critical markets. USDA's Under Secretary for Farm and Foreign Agricultural services made the same points to the same audience.
- **USDA Reports on Improving Fruit and Vegetable Safety:** In response to your directive, with Secretary Shalala, Secretary Glickman presented you the joint USDA-HHS blueprint on how USDA will work with the agricultural community to improve the safety of fruits and vegetables.
- **Class Action Discrimination Case:** There will be a status conference in the pending class action civil rights case in the federal district court on status of mediation of complaints included in the case; the status conference could attract press and congressional attention.
- **Electronic Benefit Transfer Highlighted at National Performance Review Anniversary:** On Mar. 3, 1998, During Vice President Gore's celebration marking the 5th anniversary of the National Performance Review, USDA's, Food and Nutrition Service (FNS) was featured as one of the top 10 reinvention success stories for rapid implementation of the food stamp program's electronic benefit transfer delivery system, which has grown from serving 2 percent of all food stamp households in Mar. 1993 to over 40 percent this month.
- **Welfare Reform Update:** During the period from February 24, 1998, through Mar. 3, 1998, FNS approved requests from Missouri, New York, and South Carolina State waivers, from the provisions of the welfare reform law that limit food stamp participation to 3 months in any 36-month period for able-bodied adults between the ages of 18 and 50 without dependents unless the individuals are employed for an average of 20 hours a week or are participating in a work program. The Missouri waivers apply to 4 counties with unemployment rates over 10 percent, and 28 counties and one city designated as Labor Surplus Areas (LSAs).

The South Carolina waivers exempt 6 counties based on unemployment rates over 10 percent, and 17 counties and one city designated as LSAs. The New York waivers exempt 3 counties based on unemployment rates exceeding 10 percent, and 21 counties and 12 cities designated as LSAs. During the period, FNS also received requests to extend waivers from Montana and Nevada.

### III. NOTABLE CONGRESSIONAL ACTIVITY

- On Mar. 3, the Senate Energy and Natural Resources Committee held a hearing on FY'99 Budget for the Forest Service; Jim Lyons, Under Secretary for Natural Resource and the Environment, and Michael Dombeck, Chief, U.S. Forest Service, testified.

- On Mar. 3, the House Agriculture Subcommittee on Department Operations, Nutrition and Foreign Agriculture held a hearing to review legislation to reform information technology procurement at USDA to ensure year 2000 compliance. Immediately following the hearing, the subcommittee marked up the legislation. Anne Reed, Chief Information Officer, testified.
- On Mar. 3, the Senate Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies will hold a hearing on FY'99 rural development budget; Jill Long Thompson, Under Secretary for Rural Development, testified.
- On Mar. 3, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies held a hearing on FY'99 rural development budget; Jill Long Thompson, Under Secretary for Rural Development, testified.
- On Mar. 4, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies held a hearing on FY1999 food and nutrition program budget; Shirley Watkins, Under Secretary for Food Nutrition and Consumer Services, will testify.
- On Mar. 4, the House Agriculture Committee marked up H.R. 2515, addressing the declining health of forests on federal lands in the U.S; USDA provided its objections to the bill in a letter to Chairman Smith.
- On Mar. 5, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies will hold a hearing on FY1999 spending for administrative activities; Pearlie Reed, Former Acting Assistant Secretary for Departmental Administration, Sally Thompson, Chief Financial Officer, and Anne Reed, Chief Information Officer, will testify.
- On Mar. 5, the House Agriculture Subcommittee on Forestry, Resource Conservation and Research will hold an oversight hearing on the EQIP program; Craig Cox, Acting Deputy Under Secretary, Natural Resources and the Environment, will testify.
- On Mar. 5, the Senate Agriculture, Nutrition and Forestry Committee has scheduled a hearing on the Kyoto Global Warming Pact; Richard Rominger, Deputy Secretary, will testify.
- On Mar. 10, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies will hold a hearing on FY1999 food safety spending; Dr. Catherine Woteki, Under Secretary for Food Safety, will testify.

- On Mar. 10, the Senate Agriculture Committee will hold a hearing on funding and oversight of the Risk Management Agency.
- On Mar. 10, the House Committee on Education and the Workforce will hold a hearing on Child Nutrition Reauthorization, Part I (WIC); Shirley Watkins, Under Secretary for Food, Nutrition and Consumer Services will testify.
- On Mar. 10, the Senate Appropriations Subcommittee on Agriculture, Rural Development and Related Agencies will hold a hearing on FY'99 Agriculture Appropriations (FNCS). Shirley Watkins, Under Secretary for Food, Nutrition and Consumer Services and Yvette Jackson, Administrator, Food and Nutrition Service will testify.
- On Mar. 10, the House Resources Subcommittee on Forests and Forest Health will hold a hearing on Interior Columbia Basin Ecosystem Management Project.
- On Mar. 11, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies will hold a hearing on FY1999 Agriculture Appropriations; Mike Dunn, Assistant Secretary for Marketing and Regulatory Programs, will testify.
- On Mar. 11, the House Agriculture Subcommittee on Forestry, Resource Conservation, and Research will hold a hearing on the status of USDA farm loan program.
- On Mar. 12, the Senate Agriculture, Nutrition and Forestry Committee will hold a hearing on Child Nutrition Reauthorization (Part I - school lunch and breakfast); Shirley Watkins, Under Secretary for Food, Nutrition and Consumer Services, will testify.

#### **IV. SECRETARY'S SCHEDULE**

- On Mar. 4 - Mar. 8, Secretary Glickman will attend the OECD Agriculture Committee and Quint ministerial meetings in Paris, France
- On Mar. 9, Secretary Glickman will participate in the Gore/Chernomyrdn Commission meetings.

#### **V. DEPUTY SECRETARY'S SCHEDULE**

- On Mar. 5-8, Deputy Secretary Rominger will be the key note speaker at the Sustainable Agricultural Research and Education Program Conference in Austin, TX.
- On Mar. 10, Deputy Secretary Rominger will address the members of the CA State Legislature

and CA Foundation on the Environment and Economy in Washington, DC.

## VI. SUB-CABINET SCHEDULE

- On Mar. 4 - Mar. 7, Under Secretary Schumacher will participate in the OCED and Quint Ministerial meetings in Paris, France.
- On Mar. 6, Under Secretary Long Thompson will address the National Farmers Union Annual Convention in Albuquerque, NM.
- On Mar. 6, Under Secretary Lyons will address and announce the \$10 Million Mountains to Sound Initiative at the University of Washington, School of Forestry in Seattle, WA.
- On Mar. 9, Under Secretary Schumacher will address the National Farmers Union in Albuquerque, NM.
- On Mar. 12, Under Secretary Schumacher will address U.S. National Institute of Oilseed Products in Palm Springs, CA.
- On Mar. 12 - 13, Under Secretary Lyons will address the Salt Lake City Urban National Forests Conference in Salt Lake City, UT.
- Mar. 13, Under Secretary Watkins will address in the North Carolina State Summit on Food Recovery and Gleaning, in Raleigh, NC.

## VII. PRESS/MEDIA INQUIRIES

- **President's priority to preserve our natural resources/environment:** Secretary Glickman held a media availability February 27 to announce that USDA's Wildlife Habitat Incentives Program (WHIP) will provide \$24 million during FY 1998 to help landowners improve fish and wildlife habitat on their private lands. "President Clinton and I believe that preserving our natural resources is a high priority," Vice President Gore said in the news release USDA issued, which also contained a funding breakdown by states and areas. Media attending the news conference included Futures World News, Farm Journal, Bridge News, Reuters, Associated Press, McClatchy, Bloomberg, and the National Journal. Ag broadcasters -- each representing dozens of radio outlets -- listening to the news conference included the Brownfield Net, Kansas Ag Net, Mid-America Ag Net, Northern Ag Net, Northwest Ag Info, Oklahoma Agrinet, RFD Illinois Farm Radio, WLDS (Jacksonville, Illinois), and KWAT (Watertown, South Dakota). In addition, a number of broadcasters picked up the audio feed for their broadcasts.

- **President's economic accomplishments, IMF:** Secretary Glickman delivered a speech Mar. 2 to the mid-year legislative conference of the National Association of State Departments of Agriculture in Washington. He focused on the President's economic accomplishments, trade, IMF, and the Administration's farm safety net proposals. Media covering his speech included Reuters, Associated Press, Bloomberg, and Futures World News, in addition to USDA's radio service. Following his speech, reporters interviewed the Secretary: In answer to a question about the agenda for the Quint meeting in Paris, he said they would be discussing the pre-1999 Uruguay Trade Round preparations and other issues; to a question about the controversy surrounding organics rulemaking, he replied that USDA wants a final rule the organics industry doesn't oppose.
- **Environment, conservation, President's budget:** Secretary Glickman introduced Forest Service Chief Mike Dombeck Mar. 2, prior to the Chief's speech to Forest Service employees. The Secretary talked about a balanced budget vis-a-vis a healthy environment, and protecting our natural resources while still serving the economic needs of those who depend on them. Mr. Dombeck then announced the Forest Service's Natural Resource Agenda for the 21st century, telling the group that the President's budget includes a 26 percent road maintenance increase and a 66 percent increase in major improvements to forest road bridges. The agency's agenda will significantly increase watershed health improvements, promote sustainable forest management, enhance outdoor recreation, and includes a transportation policy developed to meet the needs of Americans while protecting the environment. Media covering the event included the Associated Press (reporter and photographer), the Los Angeles Times, the New York Times, the Washington Post, the Daily Oregonian, and the Seattle Post-Intelligencer.
- **Civil rights:** Secretary Glickman spoke to an all-employee gathering at USDA Mar. 2, giving an update on civil rights, including the Department's accomplishments and challenges. The Secretary said that USDA "has come a long way" in the last year, and that the civil rights efforts of the past year would "continue without interruption." He also announced the appointments of Reba Evans and John Sparks to senior leadership positions. The Associated Press, Reuters, Farm Progress, and Bridge News covered the event.
- **Nutrition, nutrition education--School Breakfast Program:** Secretary Glickman is kicking off National School Breakfast Week at the Thurgood Marshall Elementary School in Philadelphia, Pennsylvania, Mar. 3. The Secretary, who is helping the school chef prepare and serve breakfast to 200 students, will discuss new research that underscores the critical importance of a good breakfast to student learning and behavior.

## VIII. FOIA REQUESTS

- Nothing significant to report.

## IX. WEEKEND CONTACT

Greg Frazier

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March 11, 1998

MEMORANDUM FOR THE PRESIDENT

**Through:** The Honorable Erskine Bowles  
**From:** Secretary Dan Glickman  
**Subject:** Report for Week of March 11, 1998

**USDA FACT OF THE WEEK**

Dollar for dollar, the US exports more corn than coal, more corn than cosmetics, and more corn and wheat than ships, boats, and trucks combined.

**I. KEY DEPARTMENT NEWS**

- **Secretary Urges Further Action to Open Markets to US Farm Goods:** In meetings of the Agriculture Committee of the Organization of Economic Cooperation and Development and the agriculture ministers from the Quint Countries (United States, Canada, Australia, Japan, and the European Union) March 5, 6, and 7 in Paris, Secretary Glickman called on continuing progress to remove trade barriers and lowering of trade distorting agricultural subsidies.
- **Secretary to Air Farm Bill Concerns:** Secretary Glickman announced on March 9, that he and Deputy Secretary Rominger will tour farm country during April to hear first hand farmers' concerns, particularly with respect to the 1996 farm bill. The Secretary will go to Kentucky, South Dakota, New Mexico, and Iowa; the Deputy Secretary will visit Maine, Florida, and California before joining the Secretary in Iowa.
- **Secretary Presses for Legislative Action to Help with Civil Rights Initiative:** On March 9, the Administration submitted a supplemental appropriations request that includes funding that will boost USDA's lending programs by \$75 million; without the increase, some of USDA's key loan programs will run out of money, leaving an estimated 1000 farmers, many of whom are small and minority farmers, without credit this year.

On March 11, USDA formally transmitted to Congress a proposed bill that you replace the

lifetime ban in the 1996 farm bill that prevents farmers who have received a loan write down from USDA from receiving new loans with a provision ensuring that credit worthy applicants receive a second chance at USDA assistance. This problem has attracted considerable attention, including during your meeting with small and minority farmers in December, 1997.

- **Secretary to Air Civil Rights Accomplishments:** On March 12, Secretary Glickman will be interviewed for BET's "Lead Story," which will focus on black farmers and USDA's civil rights performance generally.
- **USDA Responds to Asian Financial Crisis:** On March 2, USDA added dairy products to the list of U.S. agricultural commodities China, Indonesia, the Philippines, and Thailand can purchase under USDA's export credit guarantee program. In addition, USDA increased by \$125 million the amount of operational credit guarantees available to the Republic of Korea, and made USDA approved Singaporean banks eligible to participate in USDA's export financing for sales to Indonesia.
- **USDA Provides Emergency Assistance to Florida:** USDA has approved \$1 million in Emergency Watershed Protection Program funds for Seminole, Orange, and Osceola counties in central Florida to clear debris from channels and waterways following the February 22 tornadoes that hit the area. In addition, USDA has approved \$65,000 to clear debris from streams and rivers in Wilcox County in southwestern Alabama
- **USDA Seeking Assistance to Recover From Texas Windstorm Emergency:** On March 5, the Forest Service submitted a formal request to the Council on Environmental Quality for alternative arrangements to comply with the National Environmental Policy Act for emergency removal of dead and damaged trees from 103,000 acres to prevent a possible second disaster this spring and summer from wildfires and bark beetle attack, further damaging habitat for the endangered red-cockaded woodpecker and bald eagle. This situation has generated considerable attention from Texas Governor Bush, Sen. Gramm, and Rep. Turner.
- **USDA to Help Build Rural Cooperatives:** USDA announced March 6 that it will allocate \$100 million from its business and industry guaranteed loan program to support the creation or expansion of cooperatives in rural areas in this fiscal year.
- **USDA Scientists Develop New Way to Reduce Fat in Fried Foods:** A new rice batter developed at USDA's Southern Regional Research Center in New Orleans, sucks up less cooking oil, helps hold down the fat content of fried foods, and when used to fry chicken, absorbs 60 percent less oil than wheat batter.
- **USDA Law Enforcement Operation Continues Successes in Arresting Fugitive Felons:** To date, the USDA Inspector General's Operation Talon, which matches food

stamp recipient rolls with warrants for fugitive felons, has resulted in the arrest of 243 fugitives, removing them from the streets and food stamp rolls, saving several millions of dollars.

- **USDA Readies Watershed Protection Plans for New York and Illinois:** At a meeting on February 27, USDA and New York State began the finishing touches on a proposed Conservation Reserve Enhancement Program (CREP) designed to protect New York City's watershed from agricultural runoff, which would require farmers in the New York City watershed to implement stricter measures to prevent livestock and farm runoff from entering the city's water sources.

In related news, Secretary Glickman is tentatively scheduled to sign a CREP with Illinois officials designed to protect the Illinois River from agricultural runoff, by enrolling up to 100,000 acres of targeted land along the river for riparian buffers, filter strips, wetlands restoration, and the protection of highly erodible land.

- **USDA Donations Boost Anti-Hunger Efforts:** USDA is making available 6 million pounds of nonfat dry milk to domestic food assistance programs.
- **States Consider Joining Dairy Compact:** During the third week of February, the Tennessee House passed legislation authorizing the State to join the Southern Interstate Dairy Compact, and on March 2, the West Virginia Senate passed legislation authorizing the State to join the same compact.
- **USDA Boosts Dairy Exports:** From February 26 through March 4, USDA approved export subsidies to facilitate the shipment of 381 metric tons of dairy products to Latin American destinations.
- **U.S. Wine Exports Rise to Record-Breaking Levels:** U.S. wine exports, including cider, fermented beverages, and must, reached \$415 million in calendar year 1997, their 13th consecutive record-breaking year, and a 30 percent gain over the preceding year and up.
- **Commodity Markets in Review:** Futures prices for wheat fell last week, as conditions for winter wheat continued favorable, moisture-deficient spring wheat areas received heavy snowfall, and ample world supplies remain attractively priced and readily available. Cash prices for wheat remained stable. Slightly stronger export demand boosted corn cash and futures prices. Rice cash prices held firm, but futures fell, pressured by low Thailand and Vietnam prices. Soybean prices were little changed last week, despite recently sluggish soybean and soybean meal export sales. Cotton prices rose sharply on heavy fund and trade buying. Cattle prices were up slightly last week, as traders expect severe weather to slow marketings in the Northern Plains. Hog prices fell across the board, pummeled by large supplies. Broiler prices moved up for the third consecutive week, as bargain-hunters continue to be attracted by low prices. Butter prices fell in lackluster trade. Cheese prices

were mixed last week, with block prices up and barrel prices down in unsettled trade.

**Average prices for the week ending March 6, 1998**

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat\$/bu	3.52	0.00	-0.98
Corn\$/bu	2.70	+0.05	-0.27
Soybeans\$/bu	6.56	-0.01	-1.56
Rice\$/cwt	10.42	0.00	-1.80
Cotton¢/lb	66.10	+2.44	-5.55
Steers\$/cwt	60.68	+1.32	-7.97
Hogs\$/cwt	32.65	-0.05	-16.30
Broilers¢/lb	55.53	+0.45	-5.15
Cheese\$/lb	1.39	+0.03	+0.06
Butter\$/lb	1.25	-0.01	+0.19
Milk\$/cwt	12.22	-1.04	NA

**II. USDA WORK ON PRESIDENTIAL INITIATIVES**

• **USDA Pushes President's Food Safety Initiative:**

- On March 6, USDA published further guidance for meat and poultry plants about the record keeping requirements they must meet to be in compliance with the new inspection system.
- On March 11, top USDA food safety officials met with representatives of the American Meat Institute, the National Broiler Council, and the National Turkey Federation about progress their members are making in implementing the new HACCP system.
- On March 13, Secretary Glickman will tour USDA food safety research facilities in Athens, GA. While there, he will also give a speech to an audience at the University of Georgia.
- On March 18, Secretary Glickman will meet with the National Joint Council

of Food Inspection Locals, which represents 7530 in-plant meat and poultry inspectors.

- **USDA Enforces New Food Safety Rules; Suspends Operations at 5 Plants:**

- On March 5, USDA suspended operations at Townsends, Inc., a slaughter and processing plant in Pittsboro, North Carolina for repetitive deficiencies documented during performance of pre-operational sanitation inspection.
  - On March 5, USDA inspection officials suspended operations at Oriskany Falls Packing, Inc. in Oriskany, New York, based on the plant's failure to comply with *E. coli* testing requirements.
  - On March 5, USDA officials restored operations at Ace Union Foods, of Easterville, Iowa, to resume operations based on written assurances of corrective action provided by the plant; the plants operations were initially suspended as a result of repetitive pre-operational sanitation failures.
  - On March 5, USDA officials restored operations on the turkey line at Wampler Longacre, Inc., of Marshville, North Carolina to resume; operations were initially suspended because the plant had failed to properly document whether products had exceeded a critical limit.
  - On March 9, USDA officials suspended cow slaughtering operations at Federal Beef Processors, Inc., in West Fargo, North Dakota, based on repetitive instances of fecal contamination
- **USDA Investigates Suspect Chicken:** USDA officials are investigating a Tyson Foods Plant in Springdale, Arkansas, following the March 4 recall of 113,000 lbs of cooked chicken breast fillets shipped to Subway stores nationwide.

- **President's Initiative on Race:**

- **Secretary Presses for Legislative action to Help with Civil Rights Initiative:** On March 9, the Administration submitted a supplemental appropriations request that includes funding that will boost USDA's lending programs by \$75 million; without the increase, some of USDA's key loan programs will run out of money, leaving an estimated 1000 farmers, many of whom are small and minority farmers, without credit this year.

On March 11, USDA formally transmitted to Congress a proposed bill that you replace the lifetime ban in the 1996 farm bill that prevents farmers who have

received a loan write down from USDA from receiving new loans with a provision ensuring that credit worthy applicants receive a second chance at USDA assistance. This problem has attracted considerable attention, including during your meeting with small and minority farmers in December, 1997.

- **Secretary to Air Civil Rights Accomplishments:** On March 12, Secretary Glickman will be interviewed for BET's "Lead Story," which will focus on black farmers and USDA's civil rights performance generally.
- **Class Action Lawsuit:** On March 5, the judge presiding over the pending civil rights class action suit against USDA held a status conference to assess the results of the 8 meditations conducted in February. The judge was disturbed to learn that the plaintiffs have reversed their position and now oppose mediation. Deferring to the judgment of the mediator, Judge Friedman instructed the parties to meet again, discuss how to proceed with mediation, and report back to him.
- **Welfare Reform:**
  - **Welfare Reform Update:** From March 3 through March 10, USDA approved requests from Maryland, Florida and South Dakota for waivers from the provisions of the welfare reform law that limit food stamp participation to 3 months in any 36-month period for able-bodied adults between the ages of 18 and 50 without dependents unless the individuals are employed for an average of 20 hours a week or are participating in a work program. USDA has also received requests to extend and modify waivers from Arizona and Alabama.
  - **USDA Restores Benefits to Micronesia:** Forestalling a suit against USDA and the Government of the Commonwealth of the Northern Marianas by eight Micronesians whose eligibility for the Commonwealth's Nutrition Assistance Program was terminated based on the welfare reform law's alien restrictions. On March 9, Secretary Glickman used his waiver authority to restore the nutrition assistance program benefits to eligible aliens residing in Commonwealth of the Northern Marianas and in American Samoa.
  - **Hawaii Implements Electronic Benefit Transfer Pilot:** Hawaii implemented an EBT pilot the first week of March to deliver food stamp and cash benefits on the Island of Kauai; statewide expansion is expected to be completed by July 1998, and will serve approximately 54,000 food stamp client households and 1,100 authorized food retailers.
- **Global Climate Change Initiative:** As part of the President's Global Climate Change Initiative, the Southern University and the Forest Service recently hosted an Urban Forestry

Program with workshops on the subject. The workshop discussions focused on climate change issues relevant to the Gulf Coast region and included climate change issues relative to farming, forestry, wetland, wildlife habitat, and estuaries. The results of this and other workshops scheduled this year will help design the future of Global Climate Change Initiatives and Global Climate Change Research Program.

- **District of Columbia Initiative:** As part of the USDA Plan of Action to assist the District of Columbia forest service officials are working with local officials to stop an outbreak of Dutch elm disease in the District of Columbia; the forest service will provide \$300,000 to the project to remove or prune the diseased elms.

### III. NOTABLE CONGRESSIONAL ACTIVITY

- **Secretary to Air Farm Bill Concerns:** See Key Department News.
- On March 10, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies held a hearing on FY1999 Agriculture Appropriations (Food Safety). Dr. Catherine Woteki, Under Secretary for Food Safety, testified.
- On March 10, the Senate Agriculture Committee held a hearing on funding and oversight of the Risk Management Agency. Ken Ackerman, Administrator, Risk Management Agency, testified.
- On March 10, the House Committee on Education and the Workforce held a hearing on Child Nutrition Reauthorization. Ed Cooney, Associate Administrator for Special Nutrition Programs, Food and Nutrition Service, testified.
- On March 10, the Senate Appropriations Subcommittee on Agriculture, Rural Development and Related Agencies held a hearing on FY'99 Agriculture Appropriations (FNCS). Shirley Watkins, Under Secretary for Food, Nutrition and Consumer Services and Yvette Jackson, Administrator, Food and Nutrition Service testified.
- On March 10, the House Resources Subcommittee on Forests and Forest Health (Chenoweth, R-ID) held a hearing on Interior Columbia Basin Ecosystem Management Project. Mike Dombeck, Chief, U.S. Forest Service, testified.
- On March 11, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies held a hearing on FY'99 Agriculture Appropriations. Mike Dunn, Assistant Secretary for Marketing and Regulatory Programs, testified.
- On March 11, the House Agriculture Subcommittee on Forestry, Resource Conservation,

and Research held a hearing on the status of USDA farm loan program. Gus Schumacher, Under Secretary, Farm and Foreign Agricultural Service, testified.

- On March 11, the House Resources Committee marked up H.R. 3087, a bill to require the Secretary of Agriculture to grant an easement to Chugach Alaska Corporation, H.R. 2416, a bill to provide for the transfer of certain rights and property to the U.S. Forest Service in exchange for a payment to the occupant of such property; and H.R. 2574, a bill to consolidate certain mineral interests in the National Grasslands in Billings County, N.D., through the exchange of federal and private mineral interests to enhance land management capabilities and environmental and wildlife protection.
- On March 11, the Senate Energy and Natural Resources Committee marked up S. 1069, a bill entitled, "National Discovery Trails Act of 1997."
- On March 12, the Senate Agriculture, Nutrition and Forestry Committee will hold a hearing on Child Nutrition Reauthorization (Part I - school lunch and breakfast). Shirley Watkins, Under Secretary for Food, Nutrition and Consumer Services, will testify.
- On March 12, House Resources Subcommittee on National Parks and Public Lands will hold a hearing on the relationship between the National Park Service and concessionaires that provide service in park lands.
- On March 12, the House Judiciary Subcommittee on Immigration and Claims will mark up a bill entitled, "Temporary Agricultural Worker Act of 1998."
- On March 12, the Senate Appropriations Committee will mark up the FY'98 Supplemental Appropriations bill.
- On March 17, the Senate Agriculture, Nutrition and Forestry Committee will hold a hearing on Child Nutrition Reauthorization (Part II - WIC). Shirley Watkins, Under Secretary for Food, Nutrition and Consumer Services, will testify.
- On March 17, the Senate Appropriations Subcommittee on Agriculture, Rural Development, and Related Agencies will hold a hearing on FY'99 Agriculture Appropriations (Food Safety and Marketing and Regulatory Programs). Dr. Catherine Woteki, Under Secretary for Food Safety, and Mike Dunn, Assistant Secretary for Marketing and Regulatory Programs, will testify.
- On March 17, the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies will hold a hearing on FY'99 Agriculture Appropriations. Jim Lyons, Under Secretary for Natural Resources and Environment will testify.

- On March 17, the House Resources Subcommittee on Forests and Forest Health will hold a hearing on H.R. 3297, a bill to suspend the continued development of a roadless area policy on public domain units and other units of the National Forest System pending adequate public participation and determinations that a roadless area policy will not adversely effect forest health.
- On March 18, the House Agriculture Committee will hold a hearing on EU issues and the 1999 WTO Round. Secretary Glickman will testify.
- On March 18, the House Resources Committee will hold a hearing on issues dealing with the National Environmental Policy Act.
- On March 19, the House Appropriations Subcommittee on Interior will hold a hearing on FY'99 Agriculture Appropriations. Secretary Glickman and U.S. Forest Service Chief Mike Dombeck will testify.
- On March 19, the House Resources Subcommittee on Forests and Forest Health will hold a hearing on the impact and status of the Northern Spotted Owl on national forests.

#### **IV. SECRETARY'S SCHEDULE**

- On March 13, Secretary Glickman will visit a USDA food safety research facility plant and the University of Georgia in Athens, GA.
- On March 17, Secretary Glickman will address Food Distributors International, the Food Marketing Institute and the National Grocers Association on food safety.
- On March 18, Secretary Glickman will testify before the House Agriculture committee on trade issues.
- On March 19, Secretary Glickman will testify on the forest service's FY'99 budget before the House Interior Appropriations subcommittee.
- On March 19, Secretary Glickman will give a speech on food safety at the National Press Club.

#### **V. DEPUTY SECRETARY'S SCHEDULE**

- No significant information to report.

## VI. SUB-CABINET SCHEDULE

- On March 12, Under Secretary Schumacher will address the National Institute of Oilseed Products in Palm Springs, California.
- On March 12 - 13, Under Secretary Lyons will address the Salt Lake City Urban National Forests Conference in Salt Lake City, UT.
- On March 13, Under Secretary Watkins will address the North Carolina State Summit on Food Recovery and Gleaning in Raleigh, NC.
- On March 14, Under Secretary Schumacher will participate in Agriculture Forum with Rep. Boehner in Piqua, Ohio.
- On March 16, Under Secretary Watkins and Woteki will address the American Dietetic Association's Annual Legislative Symposium.

## VII. PRESS/MEDIA INQUIRIES

- **President's Commitment to a Safety Net for Farmers:** Secretary Glickman addressed the Farmers Union by video March 2. He discussed conservation, trade, food safety, and the President's commitment to a safety net for farmers.
- **Nutrition, Nutrition Education--School Breakfast Program:** Secretary Glickman kicked off National School Breakfast Week at the Thurgood Marshall Elementary School in Philadelphia, Pennsylvania, March 3, by helping the school chef prepare and serve breakfast to 200 students. In his remarks at the school, the Secretary talked about new research that underscores the critical importance of a good breakfast to student learning and behavior. The *Philadelphia Daily News*, Reuters, the local NBC television affiliate, and WWDB Radio (the most-listened to radio talk show in Philadelphia) covered the Secretary. (Note: USDA's National School Breakfast Program serves more than 7 million students each school day.)
- **President's Food Safety Initiative:** Secretary Glickman participated in a White House event with the President March 4 on food safety; following the event, he briefed the media in the White House press room.
- **President's Food Safety Initiative:** Secretary Glickman will deliver a speech on food safety at the University of Georgia, Athens, Georgia, March 13.
- **Environment, Conservation, WHIP Funds to Arkansas:** Deputy Secretary Richard Rominger spoke before LeadAR, the Arkansas Agricultural and Rural Leadership Program,

in Washington, D.C., February 27. He talked about agriculture in the 21st century and the conservation programs in the Farm Bill, including the 1998 funds to Arkansas under the Environmental Quality Incentives Program (WHIP).

- **Trade, IMF, Environment, Research, High-tech, the Economy:** Deputy Secretary Richard Rominger spoke to the Agricultural Council of California in Monterey, California, March 3, which was covered by local media. He told the group that everything USDA does now has long-term focus. He also discussed the IMF (\$2 billion in export credit guarantees) and said that agricultural exports to Asia would have been at great risk in the short term and even larger amounts in the future. He said that in the upcoming World Trade Organization talks, the U.S. wants substantial improvements in the trading environment for U.S. farm products, stressing that fast track authority is critical and food safety and biotechnology are among the top priorities. He also talked about the environment, and pointed out that California receives substantial funds in 1998 for the Environmental Quality Incentives Program (EQIP) and the Wildlife Habitat Incentives Program (WHIP).

#### **VIII. FOIA REQUESTS**

- Nothing significant to report

#### **IX. WEEKEND CONTACT**

Greg Frazier

Home: 202.543.7643

Pager: 800.710.5528

April 15, 1998

**Memorandum For The President**

**Through:** The Honorable Erskine Bowles  
**From:** Secretary Dan Glickman  
**Subject:** Report for Week of April 15, 1998

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**USDA FACT OF THE WEEK**

Latin America has emerged as the fastest growing market for U.S. pet food manufacturers, as exports grew fivefold over the last 5 years to \$114 million in shipments during 1997; Mexico now ranks as the 4th largest market for U.S. pet food, and the Brazilian market, where the volume of pet food sales is second only to the U.S., holds even more potential for U.S. makers.

**I. KEY DEPARTMENT NEWS**

- **President Reaffirms Support For Tobacco Farmers:** On April 9, Secretary Glickman joined President Clinton in a meeting with Kentucky tobacco farmers and local high school students. The President's trip highlighted his commitment to reducing youth smoking and protecting farmers, the two key elements of the bipartisan comprehensive tobacco legislation the President has called Congress to pass this year.
- **Secretary Glickman and Secretary Herman Tour Farm Labor Housing In Florida:** On April 14, Secretary Glickman and Secretary Herman met with migrant farm workers to explore ways USDA can improve its outreach and assistance. The Secretaries also met with growers on April 15, and toured a USDA Rural Housing Service (RHS) financed child care center that serves children of farm labor families.
- **Vice President To Announce Second Round Of Rural Empowerment Zones April 16 In New Orleans:** Secretary Glickman and Rural Development Office of Community Development Deputy Director Victor Vasquez will travel to New Orleans this week, to accompany Vice President Gore as he announces the second round of five rural Empowerment Zones that will be selected by January 1 of next year. The Vice President

will make the announcement at a meeting of the National Conference of Black Mayors. In addition, Vice President Gore will announce a total of \$7.8 million in new projects to be funded under the rural portion of the Empowerment Zones/Enterprise Communities (EZ/EC) initiative.

- **USDA To Announce Earth Day Projects In 37 States:** On April 22, Secretary Glickman will travel to Walthourville, GA to announce a total of \$130 million in new drinking, and waste water projects, as part of the Administration's Earth Day celebrations. A number of USDA officials will travel to states across the country in order to participate in project announcements. A national press release will be distributed to the press, and Rural Development state offices will also receive a draft release to distribute to their local press to announce individual projects.
- **First Scrapie Test For Live Animals:** USDA has developed the first diagnostic test for sheep scrapie that can be administered on a live animal. Current tests rely on biopsies of dead animals. Once adopted, the new test could be important for several reasons. It should help U.S. sheep producers eradicate sheep scrapie--and the economic losses resulting from it--as well as help increase U.S. sheep exports. The scrapie test could also lead to improved tests for other TSE's (transmissible spongiform encephalopathies) such as BSE in cattle (Mad Cow Disease), and Creutzfeldt-Jakob disease in humans.
- **USDA Investigates Disney Theme Park:** On April 7, USDA initiated an investigation of the new Disney theme park in Orlando, Florida, in response to the death of multiple animals. The deaths included four young cheetahs which died of apparent ingestion of ethylene glycol --antifreeze. There has been extensive national media interest in the case.
- **USDA Readies Disaster Aid For Livestock Producers:** Starting April 20, USDA will begin making \$2.8 million in payments to ranchers who suffered livestock losses due to natural disasters between March 1 and November 1, 1997.
- **USDA Providing Disaster Food Stamps To Minnesota:** In response to a tornado that struck Minnesota on March 29, USDA plans to operate a disaster food stamp program in those counties declared Presidential disaster areas: Brown, LeSueur, and Nicollett.
- **USDA Provides Credit Assistance To Farmers:** USDA's farm credit program has provided 9,828 direct loans totaling \$465 million and 5,758 guaranteed loans totaling \$796 million to family farmers in rural America this fiscal year. Loans and loan guarantees worth \$97 million have been provided to 1,789 minority and women farmers.
- **Forest Service Grounds UH-1 Helicopters:** During the week of April 5, the Forest Service suspended the use of UH-1 helicopters in its firefighting fleet, as a result of the U.S. Army grounding its fleet of that type of helicopter because of recent engine failures.

- **Federal Food Drive Nets 61,453 Pounds Of Food To Feed The Hungry:** A government-wide Federal employee food drive coordinated by USDA ended March 31, having collected 61,453 pounds from 12 participating agencies. The leading donors were: Department of Veterans Affairs, 39,854 pounds; the Department of Health and Human Services, 7,914 pounds; and the Department of Transportation, 4,511 pounds.
- **Interest Remains High In Organic Foods Proposal:** As of April 9, USDA has received approximately 30,000 comments, excluding postcards and form letters which total over 50,000.
- **Subsidized EU Barley Invades California:** The European Union (EU) sold 3 to 5 cargoes of heavily subsidized feed barley to Stockton, California feed mills at prices competitive with U.S. barley, the first known sale of EU barley to the west coast since 1990/91. This has prompted domestic grower groups to request that the government block further such shipments, or respond by making similarly subsidized sales into EU markets.
- **USDA Provides Credit Expertise For Russian Farmers:** A senior USDA farm loan specialist recently returned from a month-long assignment in Russia, where he helped establish two credit cooperatives in Rostov-on-Don, and Belorechnesk, Krasnodar-Krai. The credit, accounting, and internal control systems USDA designed will allow the non-profit group to utilize the \$10 million in USDA funds recently approved by the Secretary to establish credit cooperatives in Russia.
- **USDA Provides Grain For Overseas Donations:** Through the Food for Progress and P.L. 480 food aid programs, USDA is providing more than 6,600 metric tons of hard red winter wheat, worth more than \$907,000, to Bosnia, Armenia, and Benin, that will be distributed through the International Rescue Committee, the Armenian Technical Group, and Catholic Relief Services; 10,000 tons of corn for Angola, worth \$1.9 million; 11,300 tons of white wheat, worth \$1.8 million, for Ethiopian food aid programs; and 6,000 tons of commodities to the Aga Khan Foundation, for distribution in Tajikistan.
- **USDA Recruits Wood Products Companies To Participate In Hungary-Poland Business Mission:** USDA has recruited 7 U.S. companies to participate in a trade mission to Hungary and Poland from April 21-30, which will include a USA Wood Products trade pavilion at Hungary's largest builders show, CONSTRUMA in Budapest, and a 3 day visit to Poland.
- **No Problems From First Mexican Avocado Imports:** 348 shipments of Mexican Hass avocado imports equaling more than 13,271,000 pounds were shipped to 19 Northeastern States from November 1997 through February 1998. Surveys for seed and stem pests in the four approved municipalities of Michoacan revealed none of these pests in any of the

approved groves, backyard sites, unapproved, or abandoned groves.

- **USDA Boosts Dairy Exports:** From April 2-8, USDA provided export subsidies to facilitate the sale of 2513 metric tons of dairy products to destinations in Latin America, Africa, Asia, the former Soviet Union, and the Middle East.
- **GAO To Evaluate Fines Levied On Retailers Who Commit Food Stamp Fraud:** At the request of the Senate Agriculture Committee, the General Accounting Office has begun an evaluation of USDA's collection of fines assessed against store owners participating in the food stamp program.
- **USDA Employee To Receive Vice President's Hammer Award:** Scott Peterson, Director of USDA's Natural Resource Conservation Service National Plant Data Center in Baton Rouge, Louisiana, will receive the Vice President's Hammer Award April 21, for the development and implementation of the Integrated Taxonomic Information System. It will be used to help Federal agencies manage biological natural resources.
- **Commodity Markets in Review:** Cash and futures prices for wheat and corn dropped under pressure from slack demand and ample supplies. Old-crop rice futures rose on good export sales and a tightened supply/demand situation reported by USDA. New-crop futures declined, however, because of prospects for larger acreage. Weakening soybean meal prices and a pickup in the South American soybean harvest sent soybean prices to their lowest level this year. Cotton futures collapsed on April 6 in record volume following startling news of an export tender by China. Wholesale beef prices rose sharply. The strong recovery in prices suggests the glut of heavy beef supplies has worked its way through the market. However, this coming Friday's *Cattle and Feed* report will be viewed with much interest by industry analysts.

**Average prices for the week ending April 10, 1998**

<b>Commodity</b>	<b>Weekly price</b>	<b>Change from a week ago</b>	<b>Change from a year ago</b>
Wheat \$/bu	3.26	-0.10	-1.34
Corn \$/bu	2.47	-0.08	-0.49
Soybeans \$/bu	6.34	-0.11	-2.13
Rice \$/cwt	10.28	0.00	-1.94
Cotton ¢/lb	60.00	-5.16	-9.03
Steers \$/cwt	64.53	+3.07	-2.92
Hogs \$/cwt	33.10	-0.95	-19.75
Broilers ¢/lb	56.46	+0.19	-4.13
Cheese \$/lb	1.35	0.00	+0.07
Butter \$/lb	1.25	0.00	+0.19
Milk \$/cwt	12.20	-0.24	NA

**II. USDA WORK ON PRESIDENTIAL INITIATIVES**

• **Presidential Initiative On Race:**

- **USDA Assists Native Americans In Wisconsin:** To better serve Native American producers, USDA officials in Wisconsin have initiated on-site farm credit services for farmers on the Red Cliff and Bad River Tribes reservations to help them obtain credit to begin, expand, and operate farms and livestock operations.
- **USDA Reaches Out To Hmong Farmers:** USDA will have a strong presence at the 4<sup>th</sup> Annual Hmong National Conference in Denver on April 16-17, providing farm program and credit information to farmers and community leaders.

• **Presidential Initiative On Welfare Reform:**

- **Welfare Reform Waiver Update:** During the period from April 8 to April 15,

USDA approved a request from Alabama to extend its waiver of the provisions of the Welfare Reform Bill that impose a work requirement on most able-bodied adults. Under the waiver, residents of 18 counties and one city designated as Labor Surplus Areas are exempt from the provisions.

- **Ohio Implements State-Funded Program for Legal Noncitizens:** In April, 1998, Ohio began its first month of operating a State-Funded Food Stamp Program, for certain qualified aliens who became ineligible for federal food stamp benefits under welfare reform legislation. The program serves disabled non-citizens whose Supplemental Security Income benefits were restored under the Balanced Budget Act of 1997, and who have resided in the State since August 22, 1996. In addition, the individual must have been in the U.S. for five years and be in the process of naturalization or be unable to naturalize because of age or disability, including language disability.
- **USDA Continues Fight Against Food Stamp Fraud:** USDA's Operation Talon has resulted in the arrest of about 2,500 people since its inception in December, 1997.
- **Presidential Initiative On Food Safety:**
  - **Union and Advocacy Groups Sue USDA Over Food Safety Rules:** On April 9, the American Federation of Government Employees; and the presidents of the National Joint Council of Food Inspection Locals, and the Community Nutrition Institute, filed suit against USDA for implementation of its new Hazard Analysis and Critical Control Point meat and poultry inspection system, (HACCP). The suit alleges that the new system authorizes less than carcass by carcass inspection, contrary to the Federal Meat Inspection, and Poultry Product Inspection Acts.
  - **Michigan Warehouse Fined \$25,000 in Meat and Poultry Adulteration Case:** On April 8, USDA announced that a Taylor, Michigan cold storage warehouse was fined \$25,000 for causing meat and poultry products to become adulterated. The conviction and fine resulted from an investigation by USDA compliance officers, who discovered that approximately 4,200 pounds of various meat and poultry products were contaminated. The company was fined, put on probation for 2 years, and ordered to repair the facility, and implement a sanitation or HACCP program. In addition, the firm's president and plant manager will be placed in a pre-trial diversion program.
  - **USDA Reaches Out To Small Plants To Facilitate HACCP Implementation:** On May 7, USDA Food Safety Officials will meet with owners and managers of small plants preparing for the HACCP implementation date of Jan. 25, 1999, to discuss additional ways of ensuring that small plants receive the assistance they

need to make the transition to HACCP.

- **USDA Re-Examines Meat Produced by Advanced Meat/Bone Separation Machinery and Recovery Systems:** On April 13, USDA Began soliciting comments about changes it has proposed to its 1994 regulations to prevent misbranding and economic adulteration.
- **USDA Issues Policy Statement On Intended Enforcement Actions:** On April 8, USDA issued a notice explaining the agency's process for notifying establishments of intended enforcement actions related to HACCP system inadequacy determinations.
- **USDA Reviews Prompt Recalls:** On April 14, prompted by USDA investigation, Estrada Foods, Inc., of Boulder, Colorado, voluntarily recalled about 9,220 packages of burritos marketed in five states, because the product may cause short-term illness that includes nausea and vomiting.

On April 1, Smithfield Packing Company of Kinston, North Carolina, recalled about 490,877 pounds of smoked boneless hams because the product was adulterated with gear lubricant grease.

- **USDA Allows Arkansas Poultry Plant To Reopen:** On April 9, USDA allowed Tyson Foods, Inc., of Waldron, Arkansas to reopen. USDA's action closing the facility --for several hundred food safety violations -- attracted considerable media and Congressional attention.
- **USDA Closes Plant For Food Safety Violations:** On April 10, USDA officials suspended operations at West Best Foods, Inc., of Las Vegas, Nevada, based upon repetitive instances of cockroach infestation.

### III. NOTABLE CONGRESSIONAL ACTIVITY

- Secretary Glickman continues to press for quick action on the pending agricultural research bill, which provides \$1.7 billion for research, crop insurance, rural development, and the restoration of food stamps to legal immigrants, when Congress returns from its recess.

### IV. SECRETARY'S SCHEDULE

- On April 16, Secretary Glickman and the Vice President will make an EZ/EC announcement at the National Conference of Black Mayors in New Orleans, Louisiana.

- On April 20, Secretary Glickman will make brief remarks to the National Association of Agricultural Journalists in Washington, DC.

## **V. DEPUTY SECRETARY'S SCHEDULE**

- On April 16, deputy Secretary Rominger will speak to the National Appeal Division/ National Judicial College dinner meeting in Reno, Nevada.
- On April 18, Deputy Secretary Rominger will address the California Grain and Feed Association in Monterey, California.

## **VI. SUB-CABINET SCHEDULE**

- On April 16, Under Secretary Woteki and Deputy Under Secretary Wilcox will discuss the President's Food Safety Initiative with Mexico's Under Secretary of Agriculture and Livestock, Francisco Jose Gurria Trevino, and other senior Mexican government officials.
- On April 16, Under Secretary Lyons will speak to the University of Montana, Public Land & Resources Law Review in Missoula, Montana.
- On April 20, Under Secretary Watkins will do a Direct Link broadcast on "Farm to School" in Richmond, Virginia.
- On April 20, Under Secretary Watkins will speak to the National Association of Agriculture Journalists in Washington, DC.
- From April 20 through May 1, Assistant Secretary Dunn will tour APHIS Asian field offices.
- On April 20, Under Secretary Woteki will address the Experimental Biology 1998 meeting in San Francisco on the President's Food Safety Initiative and his directive on ensuring the safety of fresh fruits and vegetables.
- On April 22, as part of USDA's Earth Day rollout, Deputy Under Secretary Wilcox is scheduled to travel to Pennsylvania to deliver USDA water and sewer project funds to local communities.
- On April 22, Under Secretary Woteki will speak on USDA's multi-faceted food safety strategy when she provides the keynote address at the California Environmental Health Association's meeting in Monterey.

- On April 22, Under Secretary Long-Thompson will participate in Earth Day water announcements, in Holly Ridge, North Carolina.
- On April 23, Under Secretary Woteki, Deputy Under Secretary Wilcox, and FSIS Administrator Tom Billy will meet with National Meat Association directors and others from industry to discuss HACCP implementation for small firms and other issues.
- On April 24, Under Secretary Long-Thompson will participate in Earth Day water announcements in Whitley County, Indiana.
- On April 27, Under Secretary Lyons will attend a National Center for Heritage Development Conference, in Chicago, Illinois.

## VII. PRESS/MEDIA INQUIRIES

- The *Atlanta Journal and Constitution* requested copies of any reviews, audits or reports in USDA regarding the Summer Food Program and the Summer Lunch Program for Atlanta, Georgia.
- The *Associated Press* requested the reaction of the Center for Nutrition Policy and Promotion to the Institute of Medicine's reports on the revision of recommended intakes of folate, B vitamins, and choline.
- The *Minneapolis Star-Tribune* inquired about the restoration of food stamp benefits to legal immigrants for an editorial in support of the restoration, which appeared in the April 14<sup>th</sup> edition.
- Channel 12, the NBC affiliate in Winston-Salem, North Carolina, has requested a taped on-camera interview with a USDA spokesperson on the subject of retailer enforcement issues. The reporter has been working for several weeks on a story about retailers and food stamp fraud.
- The *Palm Beach Post* requested a copy of the letter sent April 3, 1998, from USDA to Florida in which the agency requested more information about the State's request to waive portions of the Food Stamp Act in order to allow private contract employees to make food stamp eligibility determinations. Florida is seeking to privatize eligibility determinations as part of its welfare reform program.
- A reporter for the *Omaha World Herald* called on April 8 to request a response on the filing of a lawsuit to challenge inspection procedures under the new HACCP System meat and poultry inspection rules. Under Secretary for Food Safety Catherine Woteki

discussed the agency's commitment to HACCP in interviews about the lawsuit with the *Omaha World Herald*, Reuters News Service, *Food Chemical News*, and *Meat Marketing and Technology*.

- The *Arkansas Democrat Gazette*, the *Arkansas Business Journal*, and the *Fort Smith Times Record* inquired about the suspension of operations at a Tyson poultry plant in Waldron, Arkansas, on April 9. USDA had temporarily suspended operations in January because of standard sanitation operating procedure deficiencies and for violation of zero fecal contamination requirements, but allowed the plant to reopen on the condition that it successfully carry out a corrective action plan. The April 10 suspension was based on inadequate operation of that plan.
- Reporters with the *Today Show*, *NBC Orlando*, *NBC National News*, *NBC Dateline*, *CBS This Morning*, *CBS National News*, *CBS Orlando*, *ABC National News*, *CNN*, *CNN Headline News*, *Inside Edition*, the *Associated Press*, the *AP radio network*, the *Central Florida PBS radio network*, *WPGL radio Miami*, *WDVO radio Orlando*, *Time magazine*, *USA Today*, the *Orlando Sentinel*, the *Palm Beach Post*, the *Miami Herald*, and *The New York Times* requested information regarding animal deaths at Walt Disney World's newest attraction, Disney Animal Kingdom in Florida. (4/6-4/9)

#### **VIII. FOIA REQUESTS**

Nothing of significance to report.

#### **IX. WEEKEND CONTACT**

Greg Frazier

April 22, 1998

**Memorandum For The President**

**Through:** The Honorable Erskine Bowles  
**From:** Secretary Dan Glickman  
**Subject:** Report for Week of April 22, 1998

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**USDA FACT OF THE WEEK**

Approximately 906,000 persons 15 years of age and older were employed as hired farmworkers each week in 1996; with an additional 71,000 persons hired as farmworkers each week as a secondary job. These farmworkers were more likely than all other U.S. wage and salary workers to be male, Hispanic, young, less educated, never married, and non-U.S. citizens. Hired farmworkers' real median earnings increased 4 percent between 1990 and 1996; real median weekly earnings for all wage and salary workers decreased about 4 percent.

**I. KEY DEPARTMENT NEWS**

- **Secretary Glickman Announces Water 2000:** On April 22, Secretary Glickman announced almost \$130 million for water and waste water projects in 37 states, as a part of USDA's Earth Day water and waste water rollout. These projects will repair sewage systems and help bring potable water to 59 projects in rural communities across the country. The announcement was made over a radio bridge to rural and Ag news reporters.
- **Ag-Earth Day Roll Out:** On April 22, Secretary Glickman, Representative Kaptur, and Deputy Secretary Rominger held a public event at the Department of Agriculture to officially celebrate Earth Day with events highlighting agriculture's successful environmental practices, a public rededication to conserving and protecting more than 1 billion acres of land used for producing food and natural fiber in the U.S., and the kickoff of a major public outreach campaign to last through Earth Day 1999.
- **EZ/EC Event With The Vice President:** Secretary Glickman joined the Vice President

for several events in connection with the annual conference of the National Conference of Black Mayors in New Orleans, Louisiana, April 16, including a satellite round table discussion with rural and urban mayors. The Vice President announced five new rural Empowerment Zones, which will be designated by President Clinton January 1, 1999. Secretary Glickman and the Vice President also announced that \$7.6 million is being allocated by USDA for eight new projects in existing EZ/EC communities. Media coverage was very good, including four television affiliate cameras and the Associated Press, plus local, regional, and national print reporters.

- **Agriculture Research Reauthorization:** On April 21, representatives of the USDA, the White House, OMB and House and Senate Democratic staff met to discuss the status of the agriculture reauthorization conference report. The research conference report was not on the list of bills that Senator Lott mentioned would be on the Senate schedule this week.

Senators Lugar, Harkin and Daschle each plan to ask Majority Leader Lott to agree to a specific timetable for Senate consideration of the conference report. In addition, USDA is working to develop a bipartisan event on Thursday with key Senators which would highlight the need to pass the conference report in its entirety. A draft letter to Senator Lott is also being circulated among moderate Republican Senators urging quick action on the conference report and indicating opposition to any effort to split off portions of the bill.

- **Ethanol Exemption/Highway Bill:** On April 20, Secretary Glickman and the Vice President taped a radio address focusing on the extension of the ethanol tax credit. The message highlighted the Administration's strong support for the extension and called on House Republicans to accept the Senate position. Copies of the statement have been circulated to numerous congressional offices and feedback has been positive.

House and Senate conferees are expected to begin work this week on the highway bill conference report. Conferees must resolve major differences in funding and offsets which are likely to complicate quick action on the conference report. The Senate transportation bill contains a provision that would extend the ethanol tax credit until 2007; the House version would allow the credit to expire in 2000. Although the extension is believed to be solidly supported by the Senate conferees, the Speaker has not yet announced which Members he will appoint on the House side to resolve this issue.

- **Statute of Limitations:** On April 16, White House, OMB, DOJ, and USDA officials met with representatives of the Speaker's Office, and House Agriculture Committee Republican staff to discuss the Administration's proposed statute of limitations bill. Chairman Smith has reportedly sent a letter to the Speaker indicating his opposition to any attempt to add the statute of limitations language to the supplemental. Chairman Smith would prefer to consider this issue in connection with the Committee's planned

markup of the Clayton and Smith civil rights bills later this Spring; and Senate appropriators are also reluctant to include the statute of limitations language in the supplemental, primarily because of scoring concerns. CBO estimates reportedly range between \$75-275 million.

- **Secretary Glickman Holds South Dakota Listening Session:** At an April 8, listening session with Secretary Glickman in Aberdeen, South Dakota, area farmers and elevator managers voiced concerns about the Federal government's response to the railroads' push to have larger elevators renovated or built to accommodate 110-car unit trains. The South Dakota Farmers Union may ask the Justice Department to investigate if railroads are engaging in unfair trade practices by forcing small elevators out of business through faster than average loading deadlines and pricing schemes, which would result in higher costs related to trucking grain to larger, less proximate terminals.
- **Housing Assistance For Farm Workers:** On April 15, Secretary Glickman and Labor Secretary Herman met with South Florida farm workers, community advocates, and producers to discuss ways that USDA and Labor can work to improve the lives and workplace conditions for farm workers. Secretary Glickman announced the ground breaking of the second phase of a large farm worker housing complex utilizing more than \$17 million in USDA grants and loans to provide safe, affordable housing to farm workers and their families in the Homestead area. The project, the Secretary said, is "a symbol of this Administration's renewed commitment to building a better future for U.S. farm workers and their families."

Secretary Glickman amplified the President's 1999 budget, which proposes an increase of 80% (or \$20 million) for USDA's farm labor housing program, allowing the construction of more than 850 additional housing units. Media coverage of the Secretary's news conference included the Associated Press, Reuters, the *Miami Herald*, *Naples Daily News*, *Palm Beach Coast*, and the *Dade County News*.

- **Railcar Shortages in the Great Plains:** On April 20, Secretary Glickman met with Senators Johnson, Daschle, and Dorgan, the STB Chair, and the President of Burlington Northern Santa Fe, to discuss cooperative efforts that might be undertaken to improve 1 railcar service to producers in North and South Dakota. At this meeting, Secretary Glickman announced that USDA and STB would work to establish an early warning system that could provide railroads with better information regarding where grain cars are needed.
- **Midwest Flooding:** Recent heavy rains across much of the Midwest have forced area rivers above flood stage and are leading to lock closures on the mid-Mississippi. The Mississippi River is experiencing high water conditions from the Quad Cities through Cairo, Illinois. Higher-than-normal river levels have caused recent navigation accidents near St. Louis and have led to the closure of several locks on the mid-Mississippi.

- **Minnesota Disaster Relief:** Four counties in southern Minnesota have been declared Presidential Disaster Areas following extensive tornado damage. Multi-family housing units financed by USDA are being made available as temporary shelter for displaced or homeless storm victims. USDA staff are also working on the transfer of rental subsidies from damaged or destroyed units to alternative housing, and providing assistance to move residents from damaged property.
- **European Union Boosts Wheat Export Subsidy:** The EU has approved 145,000 export licenses, finally succumbing to traders' requests for larger subsidies by boosting them from 19 to \$21/metric ton, even though French prices are undercutting soft red winter wheat by \$6. This reflects expectations for even lower prices in coming months.
- **Chinese Cotton Sale Upsets Market:** The future's market has been stunned by a surprise sale of 1 million bales of Chinese cotton, and on April 7 triggered tenders for 300,000 MT, or 1.4 million bales. This sale and rumors of impending sales of similar or larger quantities, pressured future's prices down and kept the volume of trade very low. The Chinese cotton deal is not expected to impact this year's U.S. export figure of 7.5 million bales, but it could soften prices.
- **Regulations Review For Medical Tobacco Marketing:** USDA officials are determining if tobacco grown specifically for use in manufacturing antibiotics and other pharmaceuticals should be treated the same as tobacco used for smoking, chewing, and other traditional uses. USDA may recommend that tobacco produced for medical purposes be considered outside the tobacco program marketing quota restrictions, rather than against a farm's effective tobacco marketing quota.
- **Florida Medfly:** To date, two adult Medflies and five larvae have been detected in the Miami Springs-Dade County, Florida area. A total of 107 properties have been treated. USDA has established a Federal quarantine in the area around the detection site to regulate the movement of host materials.
- **North Korea Aid Update:** USDA will purchase an additional 7,000 metric tons of bulk rice for delivery to a US port by May 20. This is part of its emergency humanitarian food assistance to North Korea, under Public Law 480 Title II. North Korea has received nearly one-third of the 200,000 MT allocated for this fiscal year.
- **USDA Approves Additional Wheat Sales:** On April 10, the U.S. and Jordan amended their Public Law 480 Title I agreement of March 17, 1998 to provide for the sale of an additional \$3 million worth of U.S. wheat. Additionally, on April 16 the U.S. issued Georgia an authorization for \$9.5 million of U.S. wheat. The authorization was issued under the Title I credit sales agreement of March 4, 1998.

- **Taiwan Makes WTO Modification Helping U.S. Potato Imports:** Taiwan announced a revised 5,000 MT quota for fresh potatoes from the U.S., on a first-come, first-serve basis, at the current tariff rate of 25 percent. This is the first agricultural import modification Taiwan has enacted as a result of the U.S./Taiwan WTO Accession Bilateral Market Access Agreement.
- **USDA Approves Dairy Exports:** From April 9-15, USDA approved a total of 22 MT of processed American cheese to Africa and Middle East.
- **Vice President Unveils Recreation.Gov:** On April 21, Vice-President Gore and Forest Service Chief Dombeck unveiled Recreation.Gov, an interagency internet web site and search engine that helps the public identify recreation opportunities on federal lands; and the "Recreation Opportunities on Federal Lands," map and guide, two interagency efforts developed under the National Partnership for Reinventing Government.
- **USDA Farmers' Market Hotline:** USDA has established an 800 telephone number for use by farmers and vendors who participate in USDA-sponsored markets on Federal property in the Washington metropolitan area. This is part of an effort to cut costs associated with these markets for small-sized farmers. USDA will sponsor more than 60 farmers' markets this year from July through November. These markets are sponsored in cooperation with the Departments of Energy, Transportation, Labor, and State. The 800 number will be activated by April 22 to coincide with an early farmers' market on the Mall side of the Whitten Building, which is being held in conjunction with the Earth Day celebration.
- **Commodity Markets in Review:** Cash and futures prices for wheat rose slightly last week, buoyed by worries about the effects of cold weather on the 1998 winter wheat crop. Corn cash prices moved slightly higher on slow farmer sales and stronger Gulf prices, while futures were almost unchanged. Soybean prices rose, supported by continued strength in soybean oil. Rice cash prices remained steady last week, but futures gained as wet fields created harvest problems in South America. Cotton prices were also boosted by wet weather in Argentina and Brazil, which hampers harvesting and threatens quality. Robust retail beef featuring sent cash cattle prices up last week, but large and heavy feedlot inventories led futures down. Slow selling by producers propped cash hog prices; large supplies sent futures lower. Broiler prices followed cattle and hog cash prices up. Cheese prices dropped in sluggish post-holiday trading. Butter cash prices were unchanged.

**Average prices for the week ending April 17, 1998**

<b>Commodity</b>	<b>Weekly price</b>	<b>Change from a week ago</b>	<b>Change from a year ago</b>
Wheat \$/bu	3.27	+0.01	-1.73
Corn \$/bu	2.51	+0.04	-0.46
Soybeans \$/bu	6.37	+0.03	-1.97
Rice \$/cwt	10.28	0.00	-1.94
Cotton ¢/lb	61.05	+1.05	-7.59
Steers \$/cwt	65.82	+1.29	-3.80
Hogs \$/cwt	34.65	+1.55	-19.90
Broilers ¢/lb	57.06	0.60	-3.59
Cheese \$/lb	1.25	-0.05	+0.05
Butter \$/lb	1.25	0.00	+0.45
Milk \$/cwt	12.09	-0.11	NA

**II. USDA WORK ON PRESIDENTIAL INITIATIVES**

• **Presidential Initiative On Clean Water**

- **Secretary Glickman Announces Water 2000:** On April 22, Secretary Glickman announced almost \$130 million for water and waste water projects in 37 states, as a part of USDA's Earth Day water and waste water rollout. These projects will repair sewage systems and help bring potable water to 59 projects in rural communities across the country. The announcement was made over a radio bridge with over 50 rural news reporters.
- **USDA And Public Work On Clean Water Action Plan:** Federal, State, and Tribal governments, local agencies, and stakeholders met in Denver the week of April 12 to consider implementation of the Clean Water Action Plan. Acting Deputy Assistant Secretary of Agriculture for Natural Resources and the Environment Craig Cox represented USDA and the Forest Service, along with a number of officials from the Rocky Mountain Region. The session gave

attendees an opportunity to discuss the plan released by President Clinton and Vice-President Gore earlier this year, and to prepare an implementation strategy for the Clean Water Action Plan.

- **Presidential Initiative On Welfare reform**

- **Welfare Reform Update:** During the period from April 15, through April 22, USDA approved a request from Minnesota to extend and modify two waivers related to the provisions of the Welfare Reform bill that impose a work requirement on most able-bodied adults. Under the waivers, residents of 8 Indian reservations were exempted from the work requirements. USDA also approved a modification to the Arkansas waiver allowing the State agency to exempt an additional county from the requirements of these provisions.

- **Presidential Initiative On Community Development**

**Vice-President And Secretary Glickman Launch Second Round of Empowerment Zones:** On April 16, Vice President Gore, Secretary Glickman, and Secretary Slater officially launched the opening of Round II of Empowerment Zones at the Black Mayors Conference in New Orleans, and signed a Memorandum of Agreement with the Southern Empowerment Zones/Enterprise Communities (EZ/EC) Forum, and the Lower Mississippi Delta Development Center, to establish a partnership in the seven states included in the Lower Mississippi Delta Commission study. The partnership will bring together the regional perspective and program implementation skills of the Center with the on-the-ground strategic plan implementation capacity of the rural and urban EZ/ECs within the region.

- **Presidential Initiative on Food Safety**

- **USDA Holds Press Event On Food Safety Program:** On April 21, USDA held events for trade and general press on progress in Hazzard Analysis and Critical Control Point (HACCP) implementation.
- **Tyson Foods Resumes Operations:** On April 17, USDA provided Tyson Foods, Inc., of Waldron, Arkansas, with written confirmation of its permission to reopen. Tyson's plant will be allowed to remain open if it effectively implements its April 14 Sanitation Standard Operating Procedures (SSOP) and HACCP systems action plan. Processing operations resumed on the afternoon of April 14, after USDA review of Tyson Food's action plan.
- **USDA Enforces Food Safety:** On April 14, USDA closed West Best Foods, Inc., of Las Vegas, Nevada, for repetitive pre-operational SSOP deficiencies and

cockroaches observed in processing areas.

- On April 16, USDA shut down Eshleman Meat Company, of Fontana, California, because of repetitive occurrences of inhumane handling and slaughter of livestock.
- On April 17, USDA initiated the recall of 635 pounds of Little Dixie Sliced Ham Steaks, processed by Diggs Packing Company of Columbia, Missouri, for *Listeria monocytogenes* contamination.
- **Presidential Initiative On Race**
  - **USDA Promotes Outreach To Native Americans:** USDA is reviewing several cooperative agreements that will provide risk management and other training for Native American small and limited resource producers. USDA has also contributed funds to support a cooperative agreement with the Intertribal Agriculture Council, that will encourage participation with local and State committees.

### III. NOTABLE CONGRESSIONAL ACTIVITY

- On April 21, the House Education and Workforce Subcommittee on Workforce Protections held a hearing on the Migrant and Seasonal Worker Protection Act. No USDA witness.
- On April 21, the Senate Finance Subcommittee on International Trade held a hearing on preparations for next year's negotiations on agricultural trade. Gus Schumacher, Under Secretary for Farm and Foreign Agriculture Service, testified.
- On April 22, the House Small Business Subcommittee on Government Programs and Oversight held a hearing on the Small Business Innovation Research Program. Charles Cleland, Director, Small Business Innovation Research Program, testified.
- On April 23, the Senate Appropriations Subcommittee on Interior and Related Agencies will hold a hearing on the FY'99 Interior Appropriations bills (Forest Service). Mike Dombeck, Chief, U.S. Forest Service, will testify.
- On April 23, the Senate Agriculture Committee will hold a hearing to examine fraud and abuse in the food stamp program. Yvette Jackson, Administrator, Food and Nutrition Service, will testify.
- On April 23, the House Resources Subcommittee on Forests and Forest Health will hold

a mark up of H.R. 2886, a bill to provide for a demonstration project in the Stanislaus National Forest, California, under which a private contractor will perform multiple resource management activities for that unit of the National Forest System; H.R. 3467, a bill to address the protection of the California spotted owl and its habitat in the Sierran Province of Region 5 of the Forest Service through the use of an interim management direction consistent with the requirements of existing public land management and environmental laws and by setting a date certain for the completion of a final environmental impact statement for the management of the California spotted owl; H.R. 1021, a bill to provide for a land exchange involving certain National Forest System lands within the Routt National Forest in the State of Colorado; and H.R. 3381, a bill to direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co.

- On April 23, the House Government Reform and Oversight Subcommittee on Government Management, Information and Technology will hold a hearing on the Clinger-Cohen Act, which required that federal departments and agencies create the position of Chief Information Officer to oversee information systems. No USDA witness.
- On April 28, the House Resources Subcommittee on Forests and Forest Health will hold a hearing on H.R. 1865, a bill to designate certain lands in the San Isabel National Forest in Colorado as the Spanish Peaks Wilderness and H.R. 3187, a bill to amend the Federal Land policy management Act of 1976 to exempt not-for-profit entities that hold rights-of-way on public lands from certain strict liability requirements. Witness to be announced.

#### **IV. SECRETARY'S SCHEDULE**

- On April 21, Secretary Glickman represented the Administration at this year's Annual Federal Observance of the Holocaust.
- On April 22, Secretary Glickman held a radio bridge concerning Earth Day and Water 2000.
- On April 23, Secretary Glickman will meet with industry representatives on Hazzard Analysis and Critical Control Point (food safety system) implementation.
- On April 23, Secretary Glickman will meet with 148 Members of congress on Milk Marketing Order Reform.
- On April 25, Secretary Glickman will address the President's Leadership Conference at the Department of State.

- On April 27, Secretary Glickman will address the National Associations of Farm Broadcasters.
- On April 27, Secretary Glickman will attend a White House ceremony for the 50<sup>th</sup> Anniversary of the State of Israel with the President.

#### **V. DEPUTY SECRETARY'S SCHEDULE**

- On April 28, Deputy Secretary Rominger will attend the 1998 Federal Noxious Weed Strategy roll-out breakfast in Washington, DC.

#### **VI. SUB-CABINET SCHEDULE**

- From April 20 through May 1, Assistant Secretary Dunn will tour APHIS Asian Field Offices.
- On April 22, Deputy Under Secretary Wilcox presented \$6.5 million in rural development wastewater project funding to Warren County, Pennsylvania as part of a USDA Earth Day event.
- On April 22, Under Secretary Woteki made a keynote address on USDA's food safety strategy to the California Environmental Health Association in Monterey, California.
- On April 22, Under Secretary Long-Thompson announced an Earth Day water rollout project in Holly Ridge, North Carolina.
- On April 23, Under Secretary Woteki, Deputy Under Secretary Wilcox, and FSIS Administrator Tom Billy will join the Secretary in making presentations to the National Meat Association directors, in Washington, DC.
- On April 23, Under Secretary Gonzalez will meet with National Grain Sorghum Producers to discuss research.
- On April 24, under Secretary Lyons will attend a Clean Water Action Plan Regional Meeting with Bob Perciasepe, in Boston, Massachusetts.
- From April 24 through May 1, Under Secretary Gonzalez will visit land-grant Universities of the American Pacific on a trip to Guam with NASULGC representatives.
- On April 24, Under Secretary Long-Thompson will announce funding for a water project as part of the Earth Day water rollout in Whitley County, Indiana.

- On April 28, Under Secretary Watkins will attend the 1<sup>st</sup> annual meeting of Minnesota Food Share in Minneapolis, Minnesota.
- On April 28, Under Secretary Woteki will speak on international food safety issues to the Food and Nutrition Board of the Institute of Medicine, National Academy of Sciences.

## VII. PRESS/MEDIA INQUIRIES

- A *Newsweek* reporter continues to make inquiries about tobacco quotas held by Vice President Gore and his family members. USDA Farm Service Agency has provided all requested information and addressed follow-up inquiries.
- The *Wall Street Journal* requested information concerning the decline in food stamp participation, including the impact of welfare reform on able-bodied adults without dependents and immigrants.
- News media reporting on the Agricultural Research Service's new test for scrapie--a sheep disease linked with BSE--include major wire services (Reuter, Associated Press, United Press International, Knight-Ridder News); regional and local newspapers (Lewiston, Idaho, *Morning Tribune*; Spokane, Washington., *Spokesman-Review*, and Moscow-Pullman *Daily News*); and regional TV including the NBC Seattle affiliate, which flew a crew to the Pullman, Washington., lab location. In the *Spokesman-Review*, ARS Hall of Fame scientist John Gorham called the new clinical test "the most significant ...ever developed in the history of veterinary medicine" at the Pullman lab located on the campus of Washington State University.
- Reporters with *MSNBC*, *NBC Orlando*, *NBC's Today Show*, the *Palm Beach Post*, *ABC Orlando*, the *Los Angeles Times*, the *New York Daily News*, *The Washington Post (Travel Section)*, *CNN in Miami*, *ABC's Good Morning America*, *Associated Press*, *CBS Orlando*, *CBS National*, and the *Atlanta Constitution* requested information on the Animal Care investigation at Disney. The investigation is still open, and no new information was provided. However, some reporters were provided with background information. (4/14-16)
- **Interview On Research Bill and Food Stamps:** Secretary Glickman was interviewed by the *Wall Street Journal* on April 14 about the research bill and food stamp funds.
- The Associated Press in California, the *Wichita Eagle*, the *Cincinnati Enquirer*, and the *Fresno Bee* asked about organics.
- **Amplification:**

- **Earth Day, Water 2000:** On Earth Day, April 22 Secretary Glickman announced \$129 million in USDA water and sewer assistance for 58 projects in 37 states as part of Water 2000. The Secretary also participated in a news conference on Water 2000 through an audio bridge with rural Ag reporters.
- **Extension Of Ethanol Tax Exemption:** Secretary Glickman amplified the White House initiative on extending the tax exemption for ethanol in a recorded address broadcast by the USDA Radio Newslines to stations throughout the country. The Vice President's comments were included in the April 20 taping.
- **Amplification Of Administration Legislative Priorities:** Secretary Glickman addressed the National Association of Ag Journalists in Washington, D.C., April 20, about such USDA legislative priorities as the agriculture research bill (including food stamps) and the ethanol tax exemption.

#### VIII. FOIA REQUESTS

- On April 14, FSIS received FOIA requests from *Arkansas Business*, the *Arkansas Democrat-Gazette* concerning the Tyson Foods plant in Waldron, Arkansas. The requests are for information relating to the January and April suspensions of operations of the plant, and for copies of the action plans the company provided to USDA outlining how it planned to correct the problems. Cox Newspapers and The Government Accountability Project have also requested reports concerning the Waldron plant.
- USDA is preparing a response to a FOIA Request from the Office of the Attorney General, State of Idaho concerning the Forest Service Natural Resource Agenda Communication Plan.

#### IX. WEEKEND CONTACT

Patrick Steel

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Pager: 800.800.7759

April 29, 1998

**Memorandum for the President**

**Through:** The Honorable Erskine Bowles  
**From:** Secretary Dan Glickman  
**Subject:** Report for Week of April 29, 1998

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**USDA Fact Of The Week**

USDA will project that consumer food costs for 1998 will be the lowest since the early 1990's, rising only slightly above 2% over 1997 levels attributable to low overall inflation and meat and poultry markets weakened by sluggish exports.

**I. KEY DEPARTMENT NEWS**

- **Death of USDA Plant Protection and Quarantine (PPQ) Employees:** On Wednesday, April 22, at the Port of Los Angeles in Inglewood, California, a USDA plant protection and quarantine employee fatally shot two fellow employees and himself. The employees were Clayton T. Iijima, Director of Operations for the Cargo Unit; Morley M. Suzuki, Supervisory Identifier; and David Rothman, PPQ Canine Handler (the assailant). The incident is currently under investigation. Secretary Glickman traveled to Inglewood on Friday, April 24 to convey his condolences to family and coworkers.
- **USDA Presses for Action on Ag Research Bill:** Secretary Glickman has spoken with numerous Senators and Members of Congress urging quick action on the conference report on S. 1150, the ag research bill that also provides funding to restore food stamps to certain legal immigrants, crop insurance, and rural development. He has also stressed the importance of keeping the package intact, and his and the Administration's opposition to any attempt, as reported in the press, to add only the crop insurance provisions to the pending supplemental appropriations bill. His calls this week follow the issuance of a statement on April 23 in which he said that if the package were split apart and no funds provided for food stamps to legal immigrants, he would recommend that the President veto the bill.

In a separate but related development, USDA has learned that GAO will soon release a report on the effects of the welfare reform bill on legal immigrants that documents that

the single biggest economic effect on them from that legislation has been the loss of food stamps.

- **Secretary announces Forest Service financial management reforms:** On April 28, Secretary Glickman and Forest Service Chief Dombeck announced a series of organizational reforms and personnel actions to improve the financial management of the Forest Service; the reforms come in the wake of congressional and media interest in financial management weaknesses as highlighted in reports from the GAO, the USDA Inspector General, and an outside contractor retained by the Forest Service.
- **National Organics Standards Rule:** On April 30, the comment period on USDA's proposed national organics standards closes; to date, approximately 126,251 comments have been filed with the Department. The proposed rule has also generated significant controversy and, in general, the comments and media coverage have not been favorable. Secretary Glickman has committed to providing further opportunity for the public to participate in this rule-making before adoption and issuance of a final rule, and plans an announcement in the near future.
- **USDA Extends Additional Credits To Korea:** On April 20, Secretary Glickman announced a \$400-million increase in export credit guarantees to South Korea to make it easier for Korean buyers to import U.S. agricultural commodities and products, bringing the total available to Korea to \$1.5 billion.
- **USDA Suspends Export Credits To Indonesia:** On April 14, a U.S. bank notified USDA that an Indonesian bank failed to make a payment guaranteed by USDA's export credit program; as a result, USDA has suspended the program for Indonesia until the Indonesian bank pays all accrued interest.
- **USDA Successfully Reopens Brazilian Market To U.S. Wheat:** On April 20, USDA and Brazilian Ministry of Agriculture officials reached an agreement concerning the treatment of U.S. wheat suspected of having the disease TCK.
- **USDA Helps Storm Victims:** Following the April 18 tornado that hit Birmingham, Alabama, USDA approved a modified food stamp program for Jefferson County, Alabama, providing assistance to individuals whose homes were destroyed or damaged.  
  
On April 16, USDA approved one additional Minnesota county (Cottonwood County), to operate a modified food stamp program in response to a recent disaster. To date, USDA has issued \$63,466 in benefits to 210 needy households in Minnesota.
- **USDA Proposes U.S. Origin Certification Program:** On April 21, USDA officials met with livestock industry officials to explain a proposed USDA voluntary program to officially certify that livestock and meat products have been born, raised, slaughtered,

and processed in the United States, and solicit industry comments and suggestions; the proposal was developed in response to the Secretary's initiative to aid U.S. producers in marketing their products.

- **USDA Assists Wetlands:** Eight landowners with combined holdings of 11,000 acres in the Lake Apopka, Florida area have signed Wetland Reserve Program or escrow agreements with USDA and the St. Johns River Water Management District to preserve wetlands in the area.
- **USDA Activates Farmers' Market Hotline:** On April 22, USDA activated a toll free telephone number for USDA-sponsored farmers' markets for use in Washington D.C., Virginia, West Virginia, Pennsylvania, Delaware, North Carolina, South Carolina, and Maryland. The number will provide farmers, vendors, customers, and market cooperators recorded information on dates, times, directions, and other information associated with participating in the USDA-sponsored markets on Federal property.
- **USDA Boosts Dairy Exports:** From April 16-22, USDA approved subsidies to facilitate the export of 163 Metric Tons of processed American cheese to the Caribbean, and Central, and South America.
- **Commodity Markets in Review:** Cash and futures prices for wheat declined last week, pressured by large U.S. supplies, tepid foreign demand, and strong competition from other exporters. Corn cash and futures prices were almost unchanged, as weather concerns dominated day-to-day fluctuations. Old-crop rice futures fell on poor demand and liquidation of the May contract, but new-crop futures rose on expectations of good demand prospects for the fall harvest. Soybean prices gained from continued strength in vegetable oil. Good trade interest boosted cotton prices, along with continued strong export sales. Cattle prices fell slightly as three processing plants reduced operating hours. Hog prices rose, as planting in the Midwest has hampered hog marketings by combined operations. Cheese prices fell on seasonally heavy production and signs of mounting inventories. Butter prices jumped on more active churning schedules and good cream demand.

Average prices for the week ending April 24, 1998

Commodity	Weekly price	Change from a week ago	Change from a year ago
Wheat \$/bu	3.24	-0.03	-1.67
Corn \$/bu	2.50	-0.01	-0.45
Soybeans \$/bu	6.41	0.04	-2.06
Rice \$/cwt	10.28	0.00	-1.94
Cotton ¢/lb	61.62	0.57	-7.55
Steers \$/cwt	64.08	-1.73	-4.24
Hogs \$/cwt	35.50	0.85	-20.90
Broilers ¢/lb	56.33	-0.73	-4.86
Cheese \$/lb	1.20	-0.05	0.02
Butter \$/lb	1.40	0.15	0.59
Milk \$/cwt	11.99	-0.10	NA

**II. USDA WORK ON PRESIDENTIAL INITIATIVES**

• **Presidential Initiative On Food Safety:**

- **USDA Facilitates HACCP Implementation:** On April 21, USDA food safety officials announced progress made to date implementing USDA's new meat and poultry inspection system, HACCP, which indicates that in the first 4 months of implementation the compliance rate is at 92%. To improve its implementation strategy, USDA will form a Technical Assistance Committee, further employee education in the systems approach, expand its cadre of HACCP experts; clarify the step-by-step process inspection personnel follow to notify plants of intended enforcement actions; clarify the appeals process and establishment of the Industry Appeals Tracking System report to document and track appeals; and continue collaboration with the National Advisory Committee on Microbiological Criteria for Foods.
- In a separate, but related development, on April 23, Secretary Glickman, met

with about 30 individuals representing 14 key trade associations to discuss HACCP implementation, and other issues of concern to small plants.

- **USDA Evaluating BSE Prevention Strategy:** On April 24, USDA announced a cooperative agreement with Harvard University's School of Public Health for a two-year study of the Department's measures to prevent bovine spongiform encephalopathy (BSE) in the United States. Initiating this study is the latest step in a 10-year record of aggressive USDA measures to prevent BSE entry into the United States. No cases of BSE have been diagnosed in the United States.
- **USDA Strengthens Ground Beef Guidelines:** On April 22, USDA officials met with industry and consumer groups to explain ground beef guidelines issued in the wake of the 1997 recall of raw ground beef for *E. coli* O157:H7 contamination, that outline basic principles and specific risk-reduction measures, such as setting manufacturing specifications for raw materials, coding raw materials, and conducting mock product recovery/recall drills.
- **USDA Will Participate in May 5 Video Teleconference on the President's Food Safety Initiative:** On Tuesday, May 5, experts from the federal government, and private sector organizations working on the interagency food safety initiative, will participate in a video teleconference for federal, state and local public health and regulatory officials. In addition to providing updates on the National Food Safety Initiative, they will discuss the FoodNet Early Warning Surveillance System, other FDA/USDA regulatory initiatives, and the status of the Partnership for Food Safety Education "Fight BAC!"™ campaign.
- **Presidential Initiative On Welfare Reform:**
  - Secretary Glickman continues to urge Congress to restore food stamps to legal immigrants -See Key Department News.
- **Presidential Initiative On Race:**
  - **USDA Assists Native American Health and Wellness Center:** USDA has awarded the Fort Peck, Montana Community College a \$20,000 grant to renovate its Community Health and Wellness Center, that provides specialized counseling, physical and human development activities to promote the physical, spiritual, and mental well-being of the Assiniboine and Sioux tribes.
- **Presidential Urban Environmental Resource Initiative:**
  - **Urban Environmental Resource Initiative for the District of Columbia:** On April 22, Forest Service employees helped plant 100 trees along the Anacostia

River in the District of Columbia as part of the Urban Environmental Resource Initiative for the District of Columbia.

- **Presidential Initiative On Community Empowerment:**

- **USDA Holds EZ Workshops:** USDA conducted 5 workshops --Greenville, Mississippi; Stillwater, Oklahoma; Salina, Kansas; Pendleton, Oregon; and Sioux Falls, South Dakota,; for Round II Empowerment Zone applicants.

### III. NOTABLE CONGRESSIONAL ACTIVITY

- **Secretary Presses For Ag research Bill:** Secretary Glickman continues to press for passage of the pending agricultural research bill --See Key Department News.
- **Secretary Meets with Members on Dairy Reform:** On April 23, Secretary Glickman met with over 20 members from New York and New England about the proposed dairy policy reforms he announced last January. They generally support the option which would retain a milk marketing order system very similar to the present system.
- On April 30, the Senate Agriculture Committee will hold a hearing regarding agricultural transportation issues. Secretary Glickman testify.
- On May 6, the House Education and the Workforce Subcommittee on Early Childhood, Youth and Families will hold a mark up of the child nutrition reauthorization.
- On May 7, the Senate Agriculture Committee will hold an oversight hearing of agricultural trade policies. Secretary Glickman will testify.

### IV. SECRETARY'S SCHEDULE

- On April 30, Secretary Glickman will testify before the Senate Agriculture Committee on grain transportation.
- On May 5, Secretary Glickman will attend a forum on animal waste with Senator Harkin of Iowa.

### V. DEPUTY SECRETARY'S SCHEDULE

- On April 30, Deputy Secretary Rominger will testify before the Senate Agriculture Committee on grain transportation.

- On May 5, Deputy Secretary Rominger will attend a forum on animal waste with Senator Harkin of Iowa.

## VI. SUB-CABINET SCHEDULE

- On April 28, Under Secretary Watkins attended the Minnesota Food Share, 1<sup>st</sup> Annual Meeting, in Minneapolis, Minnesota.
- On April 28, Under Secretary Woteki will participate in a panel discussion entitled "Food Safety and Quality - International Harmonization" at a Washington global food and nutrition workshop conducted by the Food and Nutrition Board, National Academy of Sciences/Institute of Medicine.
- On April 29, Deputy Under Secretary Kennedy will speak on food security, nutrition and food safety to the Institute of Medicine in Washington, D.C.
- On April 30, Under Secretary Woteki will meet on FoodNet with Centers for Disease Control officials in Atlanta, Georgia .
- On May 1, Deputy Under Secretary Kennedy will be inducted into the Hunter College Hall of Fame at the College's Annual Dinner in New York City.
- On May 5, Under Secretary Woteki will speak on "Food Safety Challenges for the Future" as part of the University of California-Berkeley's College of Natural Resources' Advisory Board program.
- On May 12, Under Secretary Watkins will attend the National Association of WIC Directors (NAWD) Conference in Denver, Colorado.
- On May 15, Under Secretary Watkins will participate in the North Carolina Extension Leadership Development Program in Washington, DC
- On May 21, Under Secretary Watkins will attend a Breastfeeding Promotion Consortium in Alexandria, Virginia.

## VII. PRESS/MEDIA INQUIRIES

- On April 22, FAS Administrator Hatamiya interviewed with the *Los Angeles Times* on the subject of credit guarantees to Asia. On April 20, *Farm Journal Publications* requested information on U.S. agricultural exports South America, Mexico, and Asia, as

well as a copy of Under Secretary Schumacher's Washington Agricultural Round Table speech. *Successful Farmer* requested information about credit guarantees to Korea on April 21.

- NBC News carried a "Fleecing of America" segment April 22, about the issuance of food stamps to the deceased.
- Cox News Service reporter Elliot Jaspin again interviewed the deputy assistant director of the FSIS Field operations division about FSIS records and policies involving the processing of product shipped from the Tyson plant in Waldron, Arkansas., to other Tyson plants for further processing after failures in the plant's HACCP system. FSIS records account for the product and show the amounts shipped, condemned, or heat treated to ensure wholesomeness. The *Arkansas Democrat* inquired on April 22 about FSIS procedures in the temporary closing of the Waldron plant due to HACCP failure to carry out its HACCP corrective action plan.
- The Associated Press interviewed Deputy Under Secretary Julie Paradis on April 24, about the Department's reaction to the House Appropriations Committee report on fraud in the WIC Program.
- **Interviews, Speech To Farm Broadcasters On USDA Programs, Legislative Priorities, Fund For Rural America:** Secretary Glickman spoke to the farm broadcasters about the Administration's legislative priorities and farm programs. He also announced \$31 million in research and education grants designed to improve the quality of life in rural communities. These grants are part of the Clinton Administration-created Fund for Rural America, that helps rural communities transition to the 21st century.
- On April 27, Secretary Glickman and 20 USDA officials were interviewed by 26 farm broadcasters representing 669 radio stations. Some of the interviews:
- Under Secretary for Research, Education, and Economics Miley Gonzalez discussed the reauthorization of the research title and the above-mentioned \$31 million in Fund for Rural America grants with the Red River Farm Network (14 radio stations), Grand Forks, North Dakota; KLGR Radio, Redwood Falls, Minnesota; KRVN, Lexington, Nebraska; and a broadcaster from Kentucky.
- Chief Information Officer Anne Reed spoke about the Year 2000 and its effect on agriculture and rural communities with Southeast AgNet (representing 16 radio stations in Alabama, Georgia, and Florida); Brownfield Network (more than 200 stations in Illinois, Indiana, Iowa, Missouri, and Nebraska); Oklahoma AgriNet (42 stations); WOWO, Fort Wayne, Indiana; WBKR, Owensboro, Kentucky; KTTS, Springfield, Missouri; KFEQ-KSJQ/AgInfo Center, St. Joseph, Missouri. Ms. Reed also interviewed

with USDA's radio service for distribution to about 200 ag broadcasters nationwide.

- **Ed board meeting:** Secretary Glickman is discussing farm programs and Presidential initiatives on agriculture and trade during an editorial meeting with Bloomberg, April 28.
- **Media Inquiries:**
- *The Wall Street Journal* and CNN asked about changes in HACCP implementation.
- Reuters and Bloomberg asked about the Union Pacific rail situation.
- Several newspapers and *Glamour* magazine asked about organic regulations.
- *The Washington Post* interviewed the Secretary on organics.
- *Ms* magazine asked about breast feeding versus regular milk.
- *Wall Street Journal* is preparing a story on civil rights at USDA.
- Associated Press is preparing a story on food stamp and WIC fraud.

#### **VIII. FOIA REQUESTS**

Nothing of significance to report.

#### **IX. WEEKEND CONTACT**

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