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Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. bio	re: personal [partial] (2 pages)	n.d.	b(6)

COLLECTION:
Clinton Presidential Records
Domestic Policy Council
Elizabeth Drye
OA/Box Number: 10451

FOLDER TITLE:
Farm Event [February 10, 1996] [1]

2014-0046-S
rc1370

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

February 8, 1996

VISIT TO FARMERS CO-OP COMPANY GRAIN ELEVATOR

Date:	February 10, 1996
Time:	3:40 p.m. - 4:35 p.m.
Location:	Clear Lake, Iowa
From:	Carol Rasco/Jeremy Ben-Ami

I. PURPOSE

This event is your one opportunity to visit a farm and demonstrate your interest in agriculture issues during this trip to Iowa.

II. BACKGROUND

The Farmers Cooperative Company is a 75 year old co-op with about 500 members who share in the co-op's profits. The cooperative consists of a grain elevator and lumber yard. The elevator buys and sells corn and soybeans. These grains are sold for feed or processed to make, for example, corn sweeteners and ethanol. About half of the grain is exported.

The Administration's policies to increase ethanol use and expand export markets benefit the co-op's members. Farmers throughout Iowa are concerned, however, about a number of issues, including corporate concentration in the agriculture industry and railcar shortages (see attached background papers).

III. PARTICIPANTS

Senator Harkin
Mr. Glenn Brady, Manager. Mr. Brady has worked at the co-op for 36 years.
About 9 employees and their families will observe.

IV. PRESS PLAN

The visit is open to pool press only.

V. SEQUENCE OF EVENTS

1. You will arrive at the grain elevator and enter a small office with Mr. Brady and Senator Harkin. Mr. Brady will give a 10 minute explanation of the co-op and the elevator operation. A farmer delivering corn will drive his truck onto a scale outside the office.

From within the office, Mr. Brady will read the scale and use a probe to obtain a sample of the corn. You will take the grain from the probe bucket and place it into the hopper of a machine that analyzes the grain's moisture content. The grain is sorted into separate bins by moisture level.

2. You, Senator Harkin, and Mr. Brady will walk outside and watch the farmer pour the grain through a grate into the designated elevator bin.

3. You, Senator Harkin, and Mr. Brady will walk around the building and watch the elevator load grain into railcars.

4. Time permitting, you greet employees and their families.

5. You depart.

VI. REMARKS

None.

February 8, 1996

ADDRESS TO RURAL COMMUNITY

Date:	February 10, 1996
Time:	4:30 p.m.- 6:00 p.m.
Location:	North Iowa Area Community College (NIACC) Mason City, Iowa
From:	Carol Rasco/Jeremy Ben-Ami

I. PURPOSE

The speech is an opportunity to communicate your vision and accomplishments to a large rural audience.

II. BACKGROUND

The North Iowa Area Community College (NIACC) was founded in 1918. The school awards associate transfer and terminal degrees. It has 2,923 undergraduate students.

When you arrive, you will see a 5-minute agricultural technology demonstration in the hold area.

You will then speak to an audience of about 2000 people that will include students and faculty of the school, representatives from friendly national agriculture groups, and Clinton-Gore supporters from Mason City, Cerro Gourdo County, and 13 surrounding counties. We are expecting an overflow crowd.

A banner behind the stage will read:

MR. PRESIDENT, YOU HAVE A HOME IN THE HEARTLAND

III. PARTICIPANTS

Greeters: **Dr. David Buettner**, President, NIACC.
Mr. John Granaga, Faculty Member and former Democratic State Representative.

Technology Briefing: **Mr. Mark Lage,** continuing education instructor, local farmer, and computer business owner.
Mr. Dana Dinnes (pronounced "Dennis"), Agronomic Demonstration Center Coordinator.

Program: **Dr. Buettner**
Mr. Deo Koenigs, Ranking Democrat on Iowa's House Agriculture Committee, farmer in adjoining county.
Senator Harkin

IV. PRESS PLAN

The technology demonstration is closed to press.
The speech is open press.

V. SEQUENCE OF EVENTS

1. You will arrive in the hold area and see a 5-minute technology presentation. Mark Lage will demonstrate on the computer how global information systems can generate precise maps of local farms to improve farming decisions (e.g. to tailor the amount of fertilizer applied to specific parts of a field based on soil nutrient content). Dana Dinnes will then discuss the environmental and economic benefits of global mapping and precision farming.

2. You, will proceed onto the stage with Dr. Buettner, Mr. Koenigs, and Senator Harkin.

   Dr. Buettner will welcome guests and introduce Mr. Koenigs.
   Mr. Koenigs will introduce Senator Harkin.
   Senator Harkin will introduce you.

3. After your speech, you will work a rope line.

VI. REMARKS

Attached.

The Washington Post
Monday, March 4, 1996

'Twenty Months and Counting'

THAT IS THE disdainful cry of Senate Democrats as they rise in opposition to the request of Senate Republicans for an open-ended extension of the now-expired Whitewater investigation. After conducting more than 50 days of public hearings involving 120 witnesses, taking 30,000 pages of deposition testimony, collecting 45,000 pages of White House documents, spending more than $1.3 million, and compiling a casualty list of near financially destroyed administration officials, what do Whitewater committee Chairman Alfonse D'Amato and his Republican colleagues have to show for it? the Democrats ask. A good question, indeed. But it's not the only one to be answered in deciding whether to extend the life of the committee.

The committee has been working for more than a year to gather the facts surrounding the collapse of the federally insured Madison Savings and Loan in Little Rock, the involvement of Bill and Hillary Clinton in the defunct Whitewater Development Corp., and the handling of documents and the conduct of White House officials and Clinton associates in the aftermath of Deputy White House Counsel Vincent Foster's suicide. Whitewater, in the hands of congressional Republicans and the independent counsel, is now a much wider-ranging investigation that seeks answers to a host of questions concerning Washington-based actions taken after the administration was in office.

The committee, for example, has been having an exceedingly tough time obtaining subpoenaed documents or unambiguous testimony from administration officials. Seldom have so many key witnesses had no earthly idea why they did what they did, wrote what they wrote, or said what they said—if they owned that they even remembered at all.

Committee Republicans assert that dozens of witnesses still must be examined. Some will not be available until their trials end. That's the major reason Sen. D'Amato gives for a lengthy open-ended extension. The next has to do with the way White House aides keep dribbling documents—suddenly and miraculously discovered—to the committee. Just when we think we've seen the last of the belated releases, one more turns up. The latest was Friday night, when one of the president's top aides, Bruce Lindsay, produced two pages of notes that *he* had earlier told the Whitewater committee he didn't remember taking. See what we mean?

At issue today, as it has been for some time, is whether the Clinton administration has done anything to impede investigations by Congress or the independent counsel and whether the Clintons engaged in any improper activities in Arkansas while he was governor and she was a partner in the Rose Law Firm. Nothing illegal on their part has turned up yet. For those who are inclined to dismiss any and everything that falls under the label of Whitewater as just another political witch hunt, it is worth remembering that 16 people have been indicted by federal grand juries as a result of the independent counsel's probe and nine have entered guilty pleas. Congress doesn't have the job of sending people to jail. But fact-finding is part of the congressional job description. The Whitewater committee should be empowered to do just that, but within a reasonable time. Two additional months, with a right to show cause for more time, makes sense.

The Farm Bill

Eliz.: Anything we need to be doing? CHR

THE FARM bill as passed by the House is better than the old law it would mostly supplant, but still not as good as it either could or should be. If the administration weighs in, maybe they can still fix it around the edges in conference.

The bill would do away with the traditional, open-ended systems in which wheat, corn, cotton and rice producers were paid according to how much they grew and how far the price they received fell below certain targets. To wean them off it, there would instead be a system of fixed, declining payments over the next seven years. The government's liability would be limited, and farmers would be much freer than now to plant what and how much they chose. The thought is that they will plant more of what they can sell abroad, and the country will capture export markets.

The interim payments were set last year in such a way as to constitute a budget cut; farmers were meant to get steadily less from the new system than from the old. Now it seems that at least for the first year or two they might get a lot more instead (because market prices are high now, and the old law wouldn't cost much). The suggestion has been that the payments be cut back a little, and the money saved against the possibility that later in the seven years market prices will fall and the fixed payment schedule will not be generous enough. The sponsors should agree to that; it preserves their basic good idea but improves on it. In the long run there does still need to be a farm safety net, but for emergencies only—not as a regular source of income—and and at a lower level than in the past.

For lesser commodities—sugar, peanuts and dairy products—the bill leaves too much of the old support systems intact. These prop up prices off budget by limiting imports and production and imposing marketing restrictions. In theory, a Republican Congress bent on deregulating agriculture should have found these an easy mark, but that's in theory only. In practice, there turned out not to be the votes to do to the programs what ought to be done, though on sugar and peanuts the House came awfully close—within nine and three votes, respectively. Consumers will likely continue to pay billions more each year for these protected products than they should.

The bill was amended on the floor to include the important conservation programs that now account for a rising fifth of the money the government pays to farmers. Mostly the House would extend these in their current form; the Senate would not just extend but rewrite them to make sure the money is better spread and spent. Most is now used for soil erosion payments in the Plains states, for example. Not all those payments prevent that much erosion, and some of the money could be better used for things such as keeping agricultural runoff out of the Chesapeake Bay.

Here's where the administration could be of particular help. It has generally laid low on the farm bill, frustrating even some allies in its election-year effort not to give offense. But it favors the stronger Senate conservation provisions, and perhaps will use its clout in conference to see to their enactment. That's the very least the conference should produce.

THE WALL STREET JOURNAL
MONDAY, MARCH 4, 1996

What's News—

A1

Business and Finance

KAISER ENDED its $2 billion bid for Alumax, saying the rival aluminum company had too many anti-takeover provisions in place. The decision came as a deadline loomed for launching a proxy fight. Alumax, which now is likely to face shareholder pressure to boost its stock price, said it intends to withdraw a proposed new-share issue that some investors feared would dilute per-share earnings.

(Article on Page A3)

* * *

Compaq, in an aggressive effort to build market share, is lowering prices on some computers for the corporate market as much as 20%, and plans other cuts. The move sets the stage for a price war at the high end of the PC business and will result in lower-than-expected quarterly earnings.

Technology stocks tumbled Friday on fears that profit margins may take a hit, but the overall market rose.

(Articles on Pages A3 and C1)

* * *

Manufacturing activity stayed soft in February, according to a closely watched purchasing management index, giving a boost to bond prices.

(Articles on Pages A2 and C1)

* * *

Light-vehicle sales in the U.S. jumped in February at major auto makers, aided by improved weather and gains in consumer confidence.

(Article on Page A4)

* * *

BellSouth will seek permission to offer local phone service in parts of Florida where it doesn't now operate. The move, a challenge to Sprint and GTE, marks one of the first major efforts by a Bell to lure customers from local-phone providers in its region.

(Article on Page B4)

* * *

The FDA approved Abbott's milestone AIDS drug in record time and is moving quickly on a rival Merck drug.

(Article on Page B3)

* * *

Tyson Foods plans to cut chicken production by about 7% because of rising feed prices and Russia's decision to prohibit U.S. chicken imports.

(Article on Page A4)

* * *

Apple intends to "cease operations" at its struggling eWorld on-line service, marking the company's first effort to revamp its Internet strategy.

(Article on Page B3)

* * *

News Corp. selected Anthea Disney, currently the editor of the media company's Internet site, to be chief executive of HarperCollins Publishers.

(Article on Page B6)

* * *

Simon & Schuster plans a book imprint for preschoolers in a venture with fellow Viacom unit Nickelodeon.

(Article on Page B6)

* * *

Japan withdrew a threat to cancel certain Federal Express flying rights in Asia and put forward a proposal that appears to bring U.S. and Japanese negotiators closer to a limited trade pact for air-cargo carriers.

(Article on Page A5)

* * *

Kmart arranged a financial agreement that removes a threat to the retailer's survival, though the accord will result in a quarterly loss.

(Article on Page B4)

* * *

Caterpillar's CEO saw his compensation rise 75% last year, and the firm lauded his handling of a long strike.

(Article on Page B2)

* * *

Markets—

Stocks: Volume 471,362,960 shares. Dow Jones industrials 5536.56, up 50.94; transportation 2068.53, up 16.97; utilities 221.49, up 2.09.

Bonds: Lehman Brothers Treasury index 6460.69, up 79.63.

Commodities: Oil $19.43 a barrel, off 10 cents. Dow Jones futures index 145.99, off 0.74; spot index 145.95, off 0.56.

Dollar: 105.46 yen, up 0.18; 1.4765 marks, up 0.0029.

World-Wide

A1

ISRAEL ORDERED new curbs on Palestinians after another suicide bombing.

Prime Minister Peres said his government would begin taking immediate steps to separate the Israeli and Palestinian populations, including an indefinite border closure barring Palestinian workers from entering Israel. His actions came after a Palestinian member of the Islamic militant group Hamas boarded a bus in Jerusalem and blew himself up, killing 18 other people and wounding 10. (Article on Page A11)

Two other similar attacks in Israeli cities by Palestinian militants opposed to the peace process have claimed the lives of 46 people in the past week.

* * *

DOLE SCORED a crushing victory over Buchanan in South Carolina's primary.

The Senate majority leader reclaimed his role as Republican presidential front-runner in Maryland and in the eight other states that select convention delegates tomorrow. Saturday's South Carolina results showed Dole with 45% of the vote, followed by 29% for Buchanan, 13% for Forbes and 11% for Alexander. In Puerto Rico's GOP primary yesterday, Dole won by a landslide. (Articles on Pages A16 and B2)

Republican-leaning owners of small businesses overwhelmingly favor Dole over his GOP rivals, a Gallup Organization poll shows.

* * *

Spain's conservative Popular Party won general elections, ending 13 years of Socialist rule. The center-right party of Jose Maria Aznar had a smaller victory margin than had been predicted against Prime Minister Felipe Gonzalez's Socialists.

* * *

Senate Republicans are drafting a bill that promises the administration as much as $5 billion more for domestic programs this year if Congress and the White House can agree on the larger budget. Education, labor and environment are beneficiaries of the measure. (Article on Page A3)

* * *

Mikhail Gorbachev said he would run for president of Russia. The former Soviet leader presented himself Friday as the one true believer in democracy and economic reform—in a field made up of demagogues and populists. (Article on Page A10)

Heavy fighting erupted near the Chechen town of Sernovodsk, after Russian troops tried to storm the town and were caught in a rebel ambush. Civilians were seen fleeing the area.

* * *

President Samper voiced indignation Friday at Clinton's decision to brand Colombia a pariah state because it hasn't fully cooperated in the drug war. Colombians were also incensed that Washington certified Mexico as cooperative, though many U.S. officials say that country is riddled with drug corruption. (Article on Page A11)

* * *

Australians elected their first conservative government in 13 years as John Howard's coalition won a landslide victory on Saturday. The prime minister-elect defeated Paul Keating, who had led a reformist Labor Party government.

* * *

Affirmative-action efforts don't have to be changed drastically in federal hiring to comply with a conservative Supreme Court ruling last year, the administration said. (Article on Page B5)

* * *

Some 3,151 **Medicare HMO members** filed federal complaints about their health plan's coverage in 1995, according to federal statistics. That was down slightly from 3,271 the previous year. However, some large plans in California, Arizona and Florida had high complaint rates. (Article on Page B3)

* * *

Cuba displayed flight plans and a black bag that it said came from the two exile-operated planes it downed last weekend and that were recovered in Cuban territorial waters. On Saturday, Miami-based exiles staged a flotilla and flyover to mark the deaths of the four crew members, but bad weather forced the vessels to turn back.

* * *

Bosnian Serbs boycotted meetings with the NATO-led peace force after one of their generals was indicted for war crimes. On Friday, Gen. Djordje Djukic was charged by an international tribunal with shelling civilian targets in Sarajevo.

* * *

Died: Marguerite Duras, 81, one of France's most prolific writers, best known in recent years for her novel "The Lover," in Paris. . . Cardinal John Krol, 85, the retired Roman Catholic archbishop of Philadelphia, who served in that post for 27 years, in Philadelphia, after suffering from a blood clot in his lung.

720 4732

EXECUTIVE OFFICE OF THE PRESIDENT

FACSIMILE TRANSMITTAL SHEET

To: Elizabeth Drye   Fax #: 6-7028

From: Kyle Baker
Office of Presidential Letters
Room 93 OEOB
(202) 456-5515 (voice)
(202) 456-2806 (fax)

Request for:
- ☐ DRAFT
- ☐ INFORMATION
- ☒ CLEARANCE
- ☐ OTHER (Use comment section)

Date Requested: 3/13/96   Date Needed: ____

Number of pages including cover 2

Comments

Thanks for taking a look at this. Language came from USDA on 3/6. Many people have written (P) on this, and we'd like to get them a response before F.B. moves in Congress.

Thanks, Kyle Baker

- Karnal bunt fungus -
- 21 Countries w/ import restrictions -
- Outbreak in Arizona -
- One of the countries w/ China -

$120 million at stake for China. -

[illegible]

- Arizona - quaranteen of all infected wheat
- APHIS (Animal ~~Plant~~ Health Inspection Service)
  - have to come up w/ new agreements.

Thank you for your views regarding farm bill legislation.

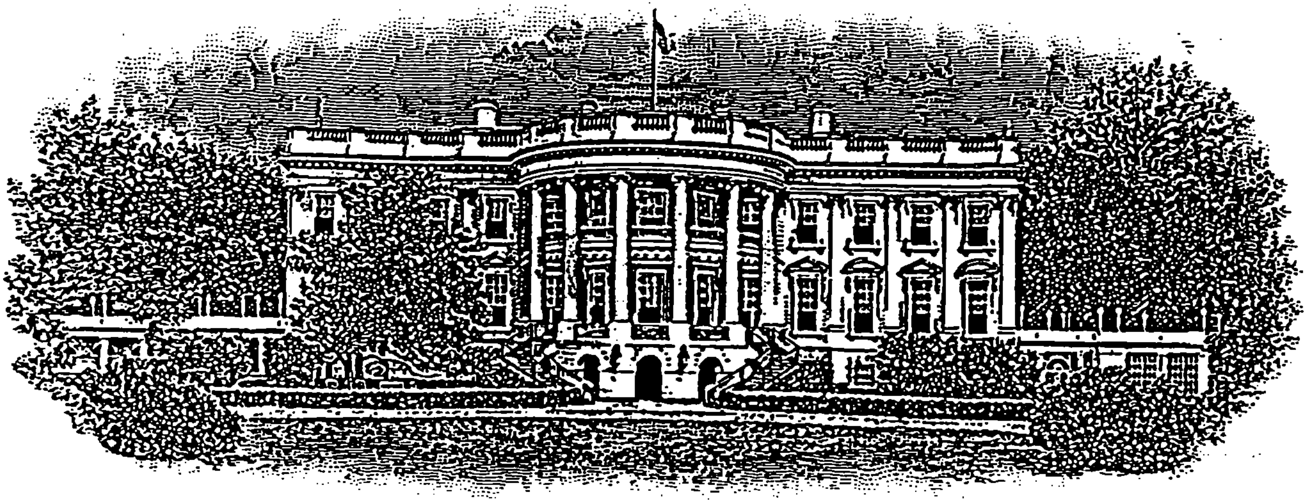
As you may know, I vetoed the omnibus budget reconciliation bill Congress presented to me on December 6, 1995. The bill Congress sent me supported the concept of planting flexibility; however, it removed the safety net that farm programs have traditionally provided.

I am committed to supporting farm policy legislation that fulfills three basic principles. This legislation must preserve a responsible safety net for producers. It must also support a strong, competitive agriculture sector -- one that promotes exports and a vibrant, rural economy. Finally, this legislation must enhance economic opportunity for producers and other residents of rural areas. Be assured, however, that I am working with Congress on legislation that will end the uncertainty for America's producers.

I appreciate ~~hearing~~ having your perspective on this important issue.

Elizabeth Drye
6-7028

The White House



DOMESTIC POLICY

FACSIMILE TRANSMISSION COVER SHEET

TO: Larry Ellworth

FAX NUMBER: 720-4732

TELEPHONE NUMBER:

FROM: Elizabeth Drye

TELEPHONE NUMBER:

PAGES (INCLUDING COVER):

COMMENTS: The Chief of Staff's office would like us to update this if necessary by COB Friday. Does it need any changes? (This is what I paged you about. No need to call unless you have questions).

PROMISE	STATUS	LATEST POLICY/RESULT
ABORTION: Pass the Freedom of Choice Act that protects abortion rights but allows some state restrictions, such as parental notification.	PROPOSED	Freedom of Choice Act did not pass in Congress.
ABORTION: Overturn laws prohibiting federal abortion funding.	PARTIAL ACCOMPLISHMENT	Federal law requires Medicaid to pay for abortions for poor women in cases of rape or incest. Congress added rape and incest authorization to life of the woman abortion funding.
ABORTION: Repeal Bush administration rules restricting abortion counseling in clinics that receive federal funds.	SUBSTANTIAL ACCOMPLISHMENT	Repealed by Presidential Memorandum January 22, 1993.
ABORTION: Protect women seeking abortions and health care workers from antiabortion protesters.	SUBSTANTIAL ACCOMPLISHMENT	Signed and enforcing Clinic Access Law.
ABORTION: Reauthorize federal family planning programs.	PROPOSED	Reauthorization is up for consideration in 1995.
ABORTION: Allow testing of RU-486 abortion pill.	SUBSTANTIAL ACCOMPLISHMENT	Clinical testing of RU-486 is now in progress in the U.S.
AGRICULTURE: Open new markets for U.S. products, particularly in Eastern Europe and the former Soviet republics.	SUBSTANTIAL ACCOMPLISHMENT	• Enacted Freedom Support Act which authorized expanded Food for Peace program in the Former Soviet Union. • Opened up Japanese and Korean rice markets. Opened apple markets in Japan and China to US producers. • Passed and signed NAFTA . • Passed and signed GATT.
AGRICULTURE: Expand international food aid programs.	SUBSTANTIAL ACCOMPLISHMENT	• Announced $800 million Food for Progress program expanding U.S. agricultural exports to Russia. • Food aid extended to countries including Angola, Ethiopia, Congo, Croatia, Macedonia and Mozambique. Increased program size in most cases.
AIDS: Increase funding for research, treatment and prevention.	SUBSTANTIAL ACCOMPLISHMENT	• Increased Ryan White CARE Act funding for outpatient AIDS care by $231 million to $579 million for FY94 • Proposed a 20% increase in NIH spending for AIDS research. Received $633 million for FY95, an 83% percent increase.
AIDS: Appoint a policy coordinator to [illegible] t recommendations of the National Commission on AIDS.	SUBSTANTIAL ACCOMPLISHMENT	• Appointed first ever AIDS czar to focus on consolidating federal resources and funds to find a cure [illegible] add [illegible] issues surrounding AIDS.

Update add & correct if necessary

MEMORANDUM

DATE: March 13, 1996

TO: Elizabeth Drye Via FAX # 456-7028

FROM: Larry Elworth

SUBJECT: Center for Science in the Public Interest (CSPI) report on poultry safety

Attached is a brief description of the CSPI report and the Q & A's that USDA has prepared. The Secretary has been interviewed by the major networks, CNN, and the NY Times. In those interviews he has insisted that the rule will be a quantum leap forward in food safety. He categorically denied that he has bowed to pressure from any groups or weakened the rule in response to pressure. He re-emphasized that his fundamental objective is to improve the health and safety of consumers and stated that it is irresponsible to comment on a rule that has not even been published.

Attachments

INFORMATIONAL MEMORANDUM

ISSUE:

The Center for Science in the Public Interest (CSPI) is issuing a report today documenting the problem of Salmonella contamination of poultry and criticizing current USDA policies that CSPI says contribute to the problem. The report suggests that the forthcoming HACCP final rules have been "weakened" under "industry pressure" by shifting the responsibility for Salmonella testing from industry to government.

BACKGROUND:

The CSPI report breaks no new ground on the rates of Salmonella and other bacterial contamination of poultry or rates of illness associated with poultry. Most of the information cited by CSPI comes from USDA documents and surveys.

Similarly, the concern about the potential for cross-contamination among carcasses during poultry slaughter is not new, nor is the claim that certain current practices allowed by USDA (reprocessing of contaminated birds, immersion chilling, and skin in ground poultry) may contribute to the frequency of contamination. There is room for improvement in these areas, but the degree to which any one practice contributes to the frequency of contamination is uncertain and controversial.

TALKING POINTS:

o Directly targeting and reducing harmful bacteria, such as Salmonella and E. Coli 057:H7, on raw meat and poultry products has been the central public health objective of USDA's HACCP rulemaking from the start.

o The final rules USDA expects to issue soon will, for the first time in the 90 year history of the meat and poultry inspection program, incorporate mandatory microbial testing and enforceable pathogen reduction performance standards into the regulatory system for meat and poultry slaughter plants. The rules will stimulate improvements in production practices, such as those recommended by CSPI, and reduce rates of contamination.

o The CSPI report is incorrect in its speculation that "industry pressure" has "weakened" the final HACCP rule. Based on extensive public comment and scientific input, and public dialogue with all interested parties, the final rules will be improved and made more effective in reducing pathogens, compared to the February 1995 proposal.

Q & A ON CSPI STUDY - 3/13/96

Question:
The report says that Sweden is salmonella free, and that European and Canadian industry use different technology i.e. air chilling rather than water chilling that reduces the risk of cross-contamination. Why don't you mandate that U.S. plants use this technology? Or Do loopholes in current regulations allow industry to use this less safe technology? Or Are you going to change the regulations to disallow the use of current practices that allow this cross-contamination to occur?

Answer:
First, we don't know that Sweden is salmonella free. Second, it is inappropriate to compare Sweden to the U.S. The size of the poultry industry in Sweden is very small and homogenous compared to the U.S. and thus more easily controlled and targeted.

In terms of technology, many of the reports cited by CSPI are USDA reports; this is not new information. We recognize the problems that are out there and that is why we are proposing fundamental reforms of the inspection system.

The final rules will encourage plants to innovate and adopt new technology and practices that will improve industry performance relative to Salmonella on poultry and other pathogens. We have previously proposed rules to speed up the adoption of new technology, and we expect that the final HACCP rule will encourage further innovation.

Question: Does USDA treat poultry more favorably than red meat and pork?
The CSPI report cites a number of areas where USDA treats the poultry industry different than red meat. Specifically, it says that USDA requires red meat to be trimmed of fecal matter, but allows poultry products contaminated with fecal matter to be rinsed rather than trimmed. It also says that USDA allows the poultry skin to be included in ground poultry, but does not allow ground beef to include skin.

Answer:
USDA does not treat the poultry industry more favorably than red meat and pork. The HACCP rulemaking has always applied equally to red meat and poultry, and the final rule will treat both industries in the same manner.

In terms of fecal contamination, USDA has a ZERO TOLERANCE policy of fecal contamination for both red meat and poultry. We are in the process of revising our trimming policy for red meat and pork to allow for the use of other technology rather than trimming to remove fecal contamination on carcasses.

USDA is reviewing the issue of allow poultry skin to be included in ground poultry.

Question: Fresh vs. Frozen
At the urgings of the poultry industry, Congress prohibited USDA from enforcing a rule which prohibited chickens that had been frozen from being labeled "fresh". What is the status of this issue?

Answer:
In his signing statement for the Department's 1996 Appropriations bill, the President asked the Department of Justice to review the constitutionality of the provision which prohibited USDA from enforcing the regulation. The Department is working with the Department of Justice to review this matter.

Question:
Has the final rule been weakened because of industry pressure?

Answer:
While it's inappropriate for me to comment in detail, I will categorically state that the final rule will not have been weakened because of industry pressure. USDA conducted an extensive rulemaking process involving industry, consumers, scientists and others. The comments and suggestions received from all groups have resulted in a final rule that we expect will better protect public health than the proposed rule.

Question:
But CSPI says the final rule must contain daily industry testing for salmonella to be effective and that USDA bowed to industry pressure to remove this requirement.

Answer:
CSPI is wrong in its speculation that USDA has bowed to industry pressure. CSPI is also in no position to judge the final rule. It is being finalized within the Department and will be ready for publication soon.

The proposed rule was directly targeted toward harmful pathogens like salmonella, and we expect that the final rule will be even more effective at protecting public health thanks to the comments received from all interested parties.

Question:
Will the final rule require daily industry testing for salmonella?

Answer:
It's inappropriate for me to comment specifically on the final rule, but we expect that it will directly target pathogenic organisms such as salmonella and it will incorporate mandatory microbial testing and enforceable pathogen reduction standards for the first time in history.

Question:
Will USDA require the poultry industry to adopt the practices recommended by CSPI?

Answer:
USDA expects that the final HACCP rule will stimulate improvements in production practices, such as those recommended by CSPI, and reduce rates of contamination.

Question:
Will USDA encourage the poultry industry to adopt the technologies recommended by CSPI?

Answer:
USDA has always encouraged companies to adopt new technologies to improve food safety and has recently proposed changes to accelerate the introduction of new technologies by the meat and poultry inspection system. USDA also expects that the final rule will encourage further innovation by the industry.

THE WHITE HOUSE
OFFICE OF DOMESTIC POLICY

CAROL H. RASCO
Assistant to the President for Domestic Policy

To: Eliz ______________ ______________

______________ ______________

Draft response for POTUS
and forward to CHR by: ______________

Draft response for CHR by: ______________

Please reply directly to the writer
(copy to CHR) by: ______________

Please advise by: ______________

Let's discuss: ______________

For your information: ______________

Reply using form code: ______________

File: ______________

Send copy to (original to CHR): ______________

Schedule ? : ☐ Accept ☐ Pending ☐ Regret

Designee to attend: ______________

Remarks: ______________

MEMORANDUM

DATE: March 7, 1996

TO: Elizabeth Drye Via FAX # 456-7028

FROM: Larry Elworth

SUBJECT: Russian poultry/Farm Bill conference

Here are the Foreign Agricultural Service backgrounder and press talking points on the Russian poultry issue. Obviously, this is an extremely touchy issue right now and also an issue of significant concern to U.S. producers. I will attend the briefing tomorrow on the Hill that is being held by Leon Fuerth and will inform you of any other salient details. Please let me know if you or Carol have any questions.

On the Farm Bill conference, staff discussions that took place yesterday on the trade title dealt with about 80% of the important issues. Following those discussions, it appears that the Market Promotion Program (MPP) will be one of the difficult issues. Discussions began today on the conservation title. The Brown amendment on by-pass flows is likely to being a thorny problem. Most of the issues in all of the titles are expected to be resolved by staff in the hope that only one or two member meetings will have to take place. Among the issues that are of significant interest to the Administration is the Fund for Rural America which would take savings from the farm programs for application to conservation, rural development, and research programs. The Fund is in the Senate Bill but was not included in the House Bill.

The Majority Leader has indicated a preference for completing conference by March 15 which means it could go into the weekend. The bill is unlikely to be available for signature before March 21 at the earliest, with April 1 as a plausible outside date. There will obviously be concern about the status of the legislation as farmers in southern states start planting.

I will send over the Farm Bill letter as soon as it is available.

BACKGROUND ON U.S.-RUSSIAN DISCUSSIONS ON IMPORTS OF U.S. POULTRY MEAT **March 4, 1996**

In the last two years, the Russian Federation has emerged as the largest export market for U.S. poultry meat. In 1995, commercial sales to Russia accounted for more than a third of the total volume of U.S. poultry meat exports worldwide. Recently, however, Russian officials have announced measures that could potentially disrupt U.S. poultry meat sales to that country.

After reviewing 50 U.S. poultry processing plants, Russian veterinary officials announced in early February that none of those plants met newly formulated Russian inspection requirements. In mid-February, during official discussions aimed at resolving the poultry inspection issues, the Russians further informed U.S. officials that no new import licenses would be issued after February 16, 1996, and that product coming in under current import licenses must be delivered to Russia by March 16.

In addition, as of February 1, 1996, the Russian government raised the import tariff on poultry meat. The tariff rate was increased to 30 percent (from 25 percent), and this higher tariff is to be applied on an assessed value of $1,800 per metric ton, even though the average value per shipment is around $1,000 per ton. Together, these two changes in the tariff-rate structure raise the effective import duty on poultry meat by more than 50 percent.

The U.S. government, in consultation with the U.S. poultry industry and state animal health officials, is working with Russian officials to ensure that U.S. poultry meat exports continue. Vice President Gore and White House staff have been actively involved, bringing together the resources of relevant U.S. agencies and coordinating the U.S. government response.

Agriculture Secretary Dan Glickman has met with U.S. poultry industry representatives to develop a unified approach to the matter, and the industry has indicated its willingness to accommodate any legitimate Russian concerns about equivalency in our food safety systems. U.S. officials have pointed out to the Russians that the U.S. inspection system is recognized internationally for its high standards, assuring both U.S. and foreign consumers of safe, wholesome products. The U.S. position is that poultry meat exports to Russia should continue as the issues raised by the Russians are being discussed.

Growth in U.S. Poultry Meat Exports to Russian Federation

U.S. poultry meat exports to Russia increased from 112,000 metric tons valued at $83.5 million in 1993 to 732,000 metric tons valued at $607 million in 1995. These exports are mainly legs, thighs, and mechanically processed chicken meat -- products which are in less demand in the United States than white meat. Both the volume and value of U.S. poultry exports to Russia were at record-high levels last year, with volume up more than 550 percent since 1993.

Poultry meat has become the largest U.S. agricultural export to Russia, making up nearly 60 percent of the total value of U.S. agricultural exports to Russia in 1995. All U.S. poultry meat sales to Russia are on strictly commercial terms. These sales represent around 5 percent of total U.S. poultry meat production.

Growth in Russian Demand for Imported Poultry Meat

Since 1990, total Russian production of poultry, pork, and beef has declined around 40 percent, with a similar decline in consumption. Russian imports of beef and pork have also dropped, but poultry meat imports have more than doubled. As real incomes have fallen, Russian consumers have turned to poultry as a low-cost source of protein, and poultry's share of total meat consumption increased from 20 percent in 1990 to an estimated 27 percent in 1995.

USDA estimates Russia's poultry meat imports from all suppliers in 1995 at roughly 900,000 metric tons, with imports of U.S. poultry meat at 732,000 tons or approximately 80 percent of the total. If U.S. poultry products were no longer available to Russian consumers, retail prices for poultry in Russia would increase by a projected 35 percent.

Chronology of Key Events Relating to U.S.-Russian Discussions on Poultry Meat Trade

1993

April — U.S.-Russian technical negotiations produce a "Veterinary Certificate for Poultry Meat Exported into the Russian Federation," which has been used and accepted by both parties since then to assure that Russian animal and human health requirements are met.

1995

June — Russia receives an improperly frozen shipment of U.S. poultry meat.

November — USDA team meets with Russian veterinary officials in Moscow on various sanitary and animal disease issues, at which time Russia announces that it will inspect all U.S. poultry plants exporting to Russia.

1996

Jan. 22 — Russian veterinarians begin inspecting U.S. poultry processing plants.

Feb. 1 — Russia raises tariffs on imported poultry to 30 percent on a assessed value of $1,800 per metric ton.

Feb. 5 — Russian veterinary officials announce that none of 50 plants inspected thus far meet Russian requirements and request meeting with U.S. officials in Moscow.

Feb. 8 — U.S. veterinary officials point out that Russia's processing plant requirements, formulated specifically for the inspections of U.S. plants, are excessive, and that equivalency in sanitary standards should be the basis for plant approval.

Feb. 15,16 Joint USDA/industry team meets with Russian veterinary officials in Moscow to address inspection issues. Russia informs U.S. that exports of poultry meat will not be allowed entry into Russia effective March 16, 1996.

Feb. 22 Agriculture Secretary Dan Glickman meets with U.S. poultry industry representatives to hear industry views and reports back to Vice President Gore. USDA starts consultations with Russian veterinary officials in Wash. DC.

Feb. 26-Mar. 1 Negotiations continue, with some progress reported in the areas of animal diseases and residue testing; consultations to resume in near future.

Press Guidance on the Poultry Issue - 3/6/96

--I can confirm for you that Vice President Gore spoke this morning with Prime Minister Chernomyrden about the poultry issue.

--The Prime Minister made the same points that were conveyed by the Russian Minister of Economics, Yevgeny Yasin, that is, that the trade should continue uninterrupted. Trade is to be based on our existing agreement as to certification of poultry exports, pending any changes that are negotiated by the senior officials who will meet in Moscow.

--There are some details where we are also seeking additional clarification from the Russian officials who will actually issue the import licenses. We want to be sure that the understanding at lower levels of the Russian Government is the same that was conveyed at upper levels.

--We want trade to proceed with absolute confidence, and believe that the issuance of import licenses should commence very shortly.

1. Question: Does this mean that as of today new import licenses will not be issued? Are the Russians backsliding? Is there something equivocal about the Prime Minister's commitment?

Answer: Based on the assurances of the Prime Minister I would say that Russian officials should now be prepared to resume issuing import licenses. I have noted, however, that we want to double check directly with the officials who perform that task. We want to guard against any further misunderstanding.

W. Post 7/6/96

Administration Resisting 'Radical Change'

By Tom Kenworthy
Washington Post Staff Writer

Congress, with little public debate, is moving to relinquish much of the federal government's authority to regulate water flows on vast tracts of federal land, a change that senior Clinton administration officials and conservationists warn could hobble efforts to protect fish and wildlife.

Under a provision of the farm bill passed by the Senate, the U.S. Forest Service would no longer be able to require municipal water companies and agricultural irrigators to maintain minimum flows in streams passing through almost 200 million acres of land managed by the agency.

The proposal was advanced by Sen. Hank Brown (R-Colo). During a brief Senate debate in early February, Brown characterized his amendment as an attempt to keep the Forest Service from extorting water from thirsty Colorado municipalities that rely on small reservoirs and water projects on Forest Service land.

But Agriculture Secretary Dan Glickman, who is leading administration opposition to the provision, said it would mean "a radical change in water policy" that would have "profound implications" for the government's ability to protect wildlife and other natural resources.

"This amendment has not been the subject of any legislative review or hearings," said Glickman, whose department oversees the Forest Service. "It not only affects Colorado, it affects every place there's water flowing over public lands."

The Brown amendment, which is not included in the House farm bill but will be a subject of negotiation when House and Senate conferees meet, arose from a long-standing dispute involving the Forest Service, local water users and the conservation community over water projects in one Colorado national forest.

But Forest Service and Agriculture Department officials maintain the amendment has much broader implications. It would, they say, undermine their authority to protect forests under statutes dating to the 19th century, disrupt the normal forest planning process under the National Forest M ment Act, limit their ability to compl the Endangered Species Act and othe life protection laws, and give some 7,0 ter projects permanent, free (le Forest Service land.

More than a decade ago, the Fore vice began notifying operators of the small water projects in Colorado's Ar Roosevelt National Forest that they have to maintain minimum str fl order to keep their special use permit intent was to protect fish and preven jects from drying up sections of st During the winter, some projects West cut off or restrict flows to store for summer agricultural use.

Some Colorado water interests sou lief through their congressional dele and in 1992 the Bush administration ed it. Now, with a Democratic adminis in place, Brown and his colleague Wayne Allard (R-Colo.), are trying by to prevent the Forest Service from re the minimum stream flows, which are "bypass flows."

Water Rights Sought for West

Brown says his amendment is a matter of simple justice for Colorado communities on the Front Range, which were being forced to spend millions in attorney fees simply to maintain the water rights they had held for many decades.

"There is no legal basis of any kind that allows them to take people's water," said Brown. The Forest Service can require bypass flows only in the cases of new water projects or where existing projects are altered, he said. "This is a prime example of the war on the West, where they come to a dry, arid state and try to steal the water."

Brown's amendment says that the Forest Service may not impose any forest planning standards or guidelines if they would impair water uses under state-allocated water rights. Government attorneys say that could, for example, prevent the Forest Service from managing an area as future wilderness if it conflicts with a developer's water rights.

The provision also prevents the Forest Service from placing conditions on a permit renewal if such limitations would reduce the flow or increase the cost of water. That could bar the government from requiring even simple changes like fish screens on dam facilities.

"Essentially what it does is, it completely privatizes water use on federal lands and makes it dependent on state law," said Charles F. Gauvin, president of Trout Unlimited.

Allard and Brown, citing the support for their amendment by the environmentally conscious city of Boulder, say the Clinton administration's fears of environmental damage are unfounded.

But just a few months after the White House signed off on a timber salvage law that has led to large-scale clear-cutting of old growth forests in the Pacific Northwest, the administration is clearly skittish about another open-ended forest amendment.

"It has become the water equivalent of the timber salvage issue," said Glickman. "We don't want something to be put in there that is going to have profound consequences that we really haven't explored."

DEPARTMENT OF PEDIATRICS

4301 West Markham, Slot 512
Little Rock, AR 72205-7199
501/320-1417

Terry Yamauchi, M.D.
Professor and Vice-Chairman

FEB 26

UAMS MEDICAL CENTER

February 21, 1996

Carol Rascoe
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Carol:

I'm sorry I haven't kept you up-to-date on my activities of late. You have probably been too busy anyway.

I have been asked to speak in Ft. Lauderdale, FL (Young Democrats) and Chicago, IL (Physicians for Clinton/Gore) on Clinton's Healthcare plans. Is there any new tact for the upcoming year that I need to quote?

Has there been any openings in the White House schedule for the next SHEA meting? I do know that Bryan Simmons has been communicating with some of your staff and this may be already resolved. Any assistance you can give is appreciated.

Again, let me know what else I can do to help you.

Sincerely,

Terry

Terry Yamauchi, M.D.
Professor and Vice-Chairman

TY:cc

cc: Dr. Bryan Simmons

02/29/96 17:37 ☎ 001/012

File, Rural

THE WHITE HOUSE

WASHINGTON

Please deliver to Elizabeth ASAP

Thanks, Pat

FAX COVER SHEET

OFFICE OF THE ASSISTANT TO THE PRESIDENT FOR DOMESTIC POLICY
SECOND FLOOR, WEST WING
THE WHITE HOUSE
WASHINGTON, DC 20500
(202)456-2216 PHONE
(202)456-2878 FAX

TO: Elizabeth Drye

FAX #: 6-7028

FROM:

NUMBER OF PAGES (including cover sheet): 12

COMMENTS: FYI re
Tue Mar 15
8:30-12:00 mtg.

If you have any problems with the fax transmission, please call Pat at (202)456-5565.

LIST OF INVITEES FOR NATIONAL RURAL DEVELOPMENT
POLICY CONSULTATION
MARCH 5, 1996
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, DC

WHITE HOUSE

Bob Nash	Director, Presidential Personnel	456-6502/456-2259
Sheryll Cashin	Staff Director, Community Empowerment Board	456-5369/456-2223
Carol Rasco	Assistant to the President for Domestic Policy	456-2216/456-2878

CONGRESSIONAL OFFICIAL

Bennie Thompson	Congressman, D-2nd Mississippi	225-5876/225-5898
Eve Clayton	Congresswoman, D-1st North Carolina	225-3101/225-3354
Joe Skeen	Congressman, R-2nd New Mexico	225-2365/225-9599
Thomas Ewing	Congressman, R-15th Illinois	225-2371/225-8071
Richard Durbin	Congressman, D-20th Illinois	225-5271/225-0170
Pat Roberts	Congressman, R-1st Kansas	225-2715/225-5375
E "Kika" de la Garza	Congressman, D-15th Texas	225-2531/225-2534
Richard Lugar	Senator, R-Indiana	224-4814/228-0360
Patrick Leahy	Senator, D-Vermont	224-4242/224-3595
Byron Dorgan	Senator, D-North Dakota	224-2551/224-1193

CONGRESSIONAL STAFF

Doug Benevento	House AG Committee	225-2342/225-0951
Anne Simmons	House AG Committee	225-1867/225-0970
Ed Barron	Senate AG Committee	224-2035/224-9287
Chuck Connor	Senate AG Committee	224-2035/224-2682
Melody Fennel	Senate Banking Subcommittee	224-7391/224-3756

UNIVERSITY OFFICIALS

John Owen	Mexico State University	505-646-3746/646-5975
Ray Marshall	Professor, University of Texas	512-471-6242/471-1835
Cornelia Flora	University of Iowa, Rural Development Center	515-294-1329/294-2303
Brady Seaton	Chief of Staff, University of Missouri	314-882-3387/882-9907
Walter Hill	Dean, Tuskegee University	334-727-8157/727-8493
Fred Schmidt	University of Vermont Center for Rural Studies	802-656-8404/
Priscilla Salant	University of Washington	509-335-7613/335-1173
Gail Imig	Michigan State University	517-355-2308/355-6473

NATIONAL RURAL PARTNERSHIP

Paul Guthrie	National Rural Development Partnership	260-4071/260-2159
Don Macke	Nebraska Rural Development Council	770-471-6002/471-3778
Kelly Haverkamp	Wisconsin Rural Development Partnership	608-265-4525/265-3459
Kathy Eneguess	Vice President New Hampshire Rural Development Council	603-224-5388/224-2872

FOUNDATIONS

Chris Page	Director, Ford Foundation	212-573-4778/297-0969
Rick Foster	Program Director, Kellogg Foundation	616-968-1611/969-2693
Susan Jenkins	Program Director, Kellogg Foundation	616-968-1611/969-2693
Tamar Datan	Program Officer, Pew Charitable Trust	215-575-9050/575-2924
Rebecca R. Riley	Director, MacArthur Foundation	312-726-8000/917-0330
Deborah Wallace	Executive Director, Levi Strauss Foundation	415-544-6381/544-6575
Jack Litzenberg	Vice President, C.S. Mott Foundation	810-238-5651/766-1753
Ray Smilor	Vice President, Kauffman Foundation	816-932-1095/932-1420
Larry Nash	President, U.S. West Foundation	303-793-6661/793-6245
John Foster-Bey	Vice President, Northwest Area Foundation	612-225-3875/225-3881
Dennis A. Collins	President, Irvine Foundation	415-777-2244/777-0869
Michael O'Keefe	Executive Vice President McKnight Foundation	612-333-4220/333-3833
Jackie Cox New	President, Winthrop Rockeffer Foundation	501-376-6854/374-4797
George Pennick	President, Foundation for Mid-South	601-355-8167/355-6499
Gail Dorman	Executive Director Mary Reynolds Babcock Foundation	910-748-9222/777-0095
Tom Lambeth	Executive Director Z. Smith Reynolds Foundation	910-725-7541/725-6069
Janet Levy	Anne E. Casey Foundation	410-223-2938/547-6624

RURAL DEVELOPMENT REPRESENTATIVES

Sarah Rurbin	Senior Associate, MDC	919-968-4531/929-8557
Kate McKee	Associate Director Center for Community Self Help	919-956-4400/688-3615
David Lollis	Appalbanc	919-986-2321/986-5836
Don Villarejo	University of California Rural Studies	916-756-6555/756-7429
Ralph Paige	Executive Director, Federation of Southern Cooperatives	404-765-0991/765-9178
Raul Yazugari	LA RAZA	785-1670/785-0851
Joe McNeely	Development Training Institute	
Moises Loza	Executive Director, Housing Assistance Council	842-8600/347-3441
Sandra Rosenblith	Rural LISC	739-9275/785-8030
Chuck Fluharty	Rural Policy Research Institute	573-882-0316/884-5310
Keith Gallins	Mayor. City of Filmore, Utah	801-743-5746/743-5751
Ken Deavers	Chief Economist, McGuiness & Williams	789-8627/789-8684
Nancy Thompson	Center for Rural Affairs Project Leader	402-846-5428/846-5420
Claude Anderson	Harvest Institute, CEO	301-897-9655/496-1622
Cushing Dolbeare		544-5887/
Don Villarejo	California Institute for Rural Studies	916-756-6555/756-7429
Kenneth Cook	Environmental Working Group	667-6982/232-2592

EZ/EC/CC

Harry Bowie	President, CEO Delta Foundation	601-335-5291/335-5295
Frank Williams	Southern Regional Development Initiative	706-554-0110/554-0989
Ray Moncrief	Kentucky Highlands	606-864-5175/864-5194
	CSRA/EC	
	Oklahoma City/EC	

OTHER DEPARTMENTS

Christine Moy	Community Development Finance Program, Treasury Department	566-6815/622-7754
	Department of Defense	
	Department of Housing & Urban Development	
	Department of Health & Human Service	
	Small Business Administration	
	Department of Commerce	
	Department of Education	

CORPORATE OFFICIALS

Thomas Phillips	Director of Community Investment, Pioneer Hi-Bred International, Inc.	515-248-4839/222-6883
Monica McDaniel	NationsBank	704-388-2762/386-6662

USDA INVITEES

James Lyons	Under Secretary, NR&E	720-7173/720-4732
Karl Stauber	Under Secretary, RE&E	720-5923/690-2842
Barbara Meister	Confidential Assistant, RE&E	720-5923/690-2842
Calvin Beale	Demographer, ERS	219-0535/219-0202
Richard Long	Rural Economic Division, ERS	219-0530/219-0202

RECD INVITEES

Jill Long Thompson	Under Secretary, RECD	720-4581/720-2080
Inga Smulkstys	Acting Deputy Under Secretary Operations & Management	720-4581/720-2080
Bart Chilton	Senior Policy Director, RECD	720-4581/720-2080
Brad Captain	Confidential Assistant, RECD	720-4581/720-2080
Wally Beyer	Administrator, RUS	720-9540/720-1725
Dayton Watkins	Administrator, RBS	690-4730/690-4737
Maureen Kennedy	Administrator, RHS	690-1533/690-0500
Wilbur Peer	Associate Administrator, RBS	690-4730/690-4747
John Romano	Associate Administrator, RUS	720-9540/720-1725
Eileen Fitzgerald	Confidential Assistant, RHS	690-1533/690-0500
Victor Vasquez	Rural EZ/EC	690-0289/619-7420

Wayne Fawbush	Policy & Planning Rural Partnership & Initiatives	205-2860/690-1696
Adam Golodner	Associate Administrator, RUS	720-9542/720-1725
Romana Vysatova	Confidential Assistant, REDAT	690-0318/720-8445
Michael Reyna	State Director, California, RECD	916-668-2000/668-2055
Mary McBride	State Director, Washington, RECD	509-664-0240/664-0202
David Scivers	State Director, Tennessee, RECD	615-783-1308/783-1301
Alan Stephens	State Director, Arizona, RECD	602-280-8700/280-8770

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

MEMORANDUM

TO: LIST OF INVITEES TO A RURAL POLICY CONSULTATION

FROM: Jill Long Thompson, Under Secretary
Rural Economic & Community Development

Jill Long Thompson

Arthur C. Campbell, Deputy Under Secretary
Policy and Planning

DATE: February 22, 1996

SUBJECT: National Rural Development Policy Consultation to be held on March 5, 1996 at the United States Department of Agriculture

On behalf of the Office of the Secretary of the United States Department of Agriculture, we invite you to participate in a one-day National Rural Development Policy Consultation to be held in the Williamsburg Room at the United States Department of Agriculture (USDA) Administration Building, located at 14th & Independence Ave. S.W., on March 5, 1996 from 8:30 A.M to 12:00 P.M.

The purpose of this consultation is to seek insight and perspectives that will assist USDA in sharpening the focus of its rural development strategy and policy directions for the remaining years of this century and into the next. It will bring together leading rural development specialists and practitioners, USDA officials and representatives of major foundations, community-based and intermediary rural development organizations for the purpose of guiding and building future partnerships and initiatives in rural America.

Over the past several decades, there has been much deliberation over rural development policy. In addition, The Rural Development Policy Act of 1972 as amended in 1980 charges the Secretary of Agriculture's Office with responsibility and authority for providing:

> "leadership within the executive branch for coordinating a nationwide rural development program using the services of executive branch departments and agencies, including, but not limited to, the agencies, bureaus, offices and services of the Department of Agriculture, in coordination with rural development programs of State and local governments."

The attached statement of purpose for undertaking a national consultation describes the U.S. Department of Agriculture's most recent history of rural development policy activity and sets forward an introductory context for considering the issues facing rural America today.

As the Under Secretary for Rural Economic and Community Development and the Deputy Under Secretary for Policy and Planning, we will preside over the national rural development policy consultation meeting.

Participants will receive a full briefing packet prior to the meeting upon confirmation of their attendance. The agenda for the National Rural Development Policy Consultation includes opening comments by Professor Ray Marshall of the University of Texas and one or more other leading policy thinkers in rural development. Most of the conference will be spent in open dialogue with a final summation to be facilitated by RECD's Deputy Under Secretary for Policy and Planning.

We look forward to your participation in this 1996 Rural Development Policy Consultation. To confirm your participation, please call Vivian Peters (202-720-8653) in the Office of the Under Secretary for Rural and Community Development by March 1st. For further information contact Ms. Joy Beaton, Confidential Assistant to the Department's Deputy Under Secretary for Policy and Planning at 202-720-6774.

Attachment

National Rural Development Policy: Consultation

The Challenge

The 1996 National Rural Development Policy Consultation has been organized to assist the U.S. Department of Agriculture in sharpening the focus of its rural development policy and strategy for the remaining years of this decade and into the next. The consultation is seeking to address two key questions:

1. What should the driving elements of a national rural development policy and strategy be for the 21st century?

2. How can existing governmental structures and service delivery be strengthened or improved to achieve rural development?

Over the last 30 years, the number of rural counties with high concentrations of poverty has declined dramatically. In 1960, a total of 2,083 counties reported 20% or more of their population living below the poverty level. By 1990, this number had shrunk to 765, a decline of nearly two-thirds and an indication of the remarkable climb out of poverty that has occurred across rural America.

Poverty in parts of Rural America, however, is still entrenched, exceeded only by the rate of poverty in the nation's inner cities. Today, the rural poor live predominantly in 540 distressed rural counties that have experienced poverty rates of more than 20% over the past four decades. These are truly "the people left behind", those still living in the most severe poverty and those who struggle to survive as the working rural poor. Moreover, national rural poverty rates which generally exceed metro rates have done so since 1989.

In striking contrast to persistently poor rural areas, however, are a growing number of rural counties on the rebound. Rebounding counties are experiencing relatively stable economic conditions and net in-migration of Americans seeking a return to a small town quality of life often associated with retirement or recreational amenity interests. Unemployment is on the decline and the number of services and low manufacturing jobs is growing.

Whether prospering or declining, however, rural America is confronted with a changing world, one in which new universal imperatives are profoundly altering the course and the nature of how we live, work, compete and prosper in community.

Consequently this consultation also seeks to explore these imperatives and to understand what kind of national rural policy and strategy can be developed to address two such diverging realities in rural America? What kind of partnerships and initiatives can be built? And, can a democracy afford the degree of inequality in opportunity and human welfare that is being created within rural America anymore so than in our inner cities?

The Context

Seventy-five per cent of all Americans live in the nation's 837 major metropolitan areas. The remaining 25% of all Americans live in over 2,300 rural counties that make up **81% or four fifths of the nation's total land area.**

Today there are two stories to be told about the communities and the people living in rural America.

Some parts of rural America are growing. Surprisingly, population growth in rural areas grew more than three times as fast in the 1990's as it did in the 1980's.

Between 1980-90, more than half (52%) of the 2300 non-metro counties declined in population due to out migration, lower birth rates and aging populations. By 1994, however, only half as many of these counties reported a decline in population which reduced the total number of counties in population decline to 25%, while 63% (1450) of the counties reported a net in-migration..

According to USDA's Economic Research Service, this resurgence in population growth in rural America may be one of the single biggest demographic stories of the 1990's. Renewed growth in population is rooted in long-term economic change along with a strong conviction of many Americans that small town life is better than big city life.

The second story to be told is about the people and communities of Rural America that have been left behind, those struggling to exist in persistently poor rural areas of the nation.

These rural communities have been dramatically affected by the diminishing role of farming as the primary basis for economic prosperity and by startling rates of out migration. Today, income from farming accounts for only 12% of a farm operator's total household income and 80% of all rural households are supported by non-farm employment.

Rural poverty persists and it is reflected in rural poverty rates that consistently exceed metro poverty rates. Concentrated more and more in communities with fewer and fewer resources and limited opportunities, the dichotomy grows. Persistent poverty counties blanket the Southeast, the Southwest and in the Great Plains, continuous out migration and an inability to create jobs are taking their toll even in those counties that are still farm dependent.

The need, the opportunities and the necessity for action in America's 2300 rural counties is great. Some in fact have begun the struggle to envision and build more viable social and economic futures in conjunction with the President's Empowerment Zone and Enterprise Community Initiative. The Rural Empowerment Zone Enterprise Community Program, however, will work intensively with only 33 designated target areas alongside another 194 "Champion" communities that have been galvanized into action by their failed efforts to get designated as EZ/EC zones or communities.

The Authority to Act

The 1972 Rural Development Act directed the Secretary of Agriculture to provide leadership within the executive branch and to assume responsibility for coordinating a nationwide rural development program using the services of executive branch departments and agencies, including, but not limited to, the agencies, bureaus, offices and services of the Department of Agriculture, in coordination with rural development programs of State and local Governments.

The Rural Development Policy Act of 1980 added additional responsibilities and instructed the Secretary to expand the Department's leadership role. This act specifically mandated the Secretary to "prepare a comprehensive rural development strategy, submit an annual report on its progress to Congress, ensure the effective implementation of the rural development strategy and maximize coordination of federal programs affecting rural areas. It also created the position of Under Secretary of Agriculture for Small Community and Rural Development, now named the "Under Secretary for Rural Economic and Community Development."

The act also gave the Secretary responsibility for strategy implementation defined as a systematic effort to:

1. Improve communication and encourage cooperation among federal departments and agencies;

2. Eliminate conflicts, duplication and gaps in program coverage and resolve contradictions and inconsistences in objectives, administration and effects of rural programs;

3. Facilitate and expedite joint funding of rural projects through federal programs;

The Government Performance Review Act (GPRA) of 1993 and Executive Orders 12862 and 12898 added additional emphases. GPRA required all federal agencies to begin measuring the performance and outcomes of their programs. Executive Order 12862 introduced a customer service orientation to delivering and evaluating effectiveness of rural development programs and the setting of customer service standards. Executive order 12898 directed all federal agencies to identify and address disproportionately high and adverse human health and environmental effects of program, policies and activities on minority and low income populations and to incorporate environmental justice into their missions.

Summary of National Rural Policy Perspectives 1985-1995

Over the course of the last two decades considerable attention has been given to developing a national rural development policy perspective.

In 1985, USDA published a synopsis of "90 Years of Rural Development Programs" cataloguing rural policy developments from 1891-1982.

In 1988, the Department held a series of rural development policy workshops and published Focus on the Future. Options in Developing a New National Rural Policy. This report found that current rural development policy was not adequate, too limited and narrow in scope, fragmented and incomplete. It cited two major policy omissions from rural development policy considerations at that time: rural health and rural education.

In 1992, Revitalizing Rural America, Through Collaboration. A Report to the President was produced by the than President's Council on Rural America. Chaired by the Winthrop P. Rockefeller, this report stated that the key to success lay in creating an effective collaboration among federal, state, and intergovernmental entities which would build to include local and tribal government, as well as the private sector.

The report specifically proposed the establishment of a mechanism for this collaboration that would include an advisor for rural development, an interagency coordinating group and a private sector advisory council at both the state and federal level. It was the belief of the President's Council on Rural America at the time that the most effective response to rural needs, must be based on locally driven initiatives working in large part through state rural development councils. The report acknowledged the diversity of rural needs and the complexity of the emerging rural economic environment. It also emphasized respect for the ability of individuals to respond most effectively to their own needs, while encouraging strategic planning and measurability.

In 1993, Rural Development Perspectives, a USDA publication, solicited a series of eight articles on rural development policy as a basis for a special policy issue of the magazine stemming from work by the editors involving the National Commission on Agriculture and Rural Development Policy and the National Initiative on Rural America under the Bush Administration. The articles are a collection of "state-of-affairs" perspectives published just prior to the transition to the present administration.

In early 1994, a subsequent study by the GAO was commissioned at the request of Congress. This report entitled Rural Development. Patchwork of Federal Programs Needs to be Reappraised documented continued fragmentation of complex and narrowly focused programs, limited local community and local government capacity to address the nature of economic changes affecting rural areas, and ineffective federal intra-agency structures established under the 1990 Presidential Initiative on Rural Development which had created the Economic Policy Council Working Group on Rural Development, the National Rural Development Council and the State Rural Development Councils.

At the time of this GAO report these groups had had little impact on improving the delivery federal program assistance in rural areas. The Working Group no longer functioned, the National Rural Development Council lacked authority to resolve problems in programs and most state rural development councils had only recently been established.

Finally in 1995 under the leadership of Secretary of Agriculture Glickman, major internal reorganization and regrouping of rural development programs has occurred to address this fragmentation. In so doing the Department of Agriculture combined the programs of the former Farmers Home Administration, The Rural Development Administration and Rural Electrification Administration to create the Office of Rural Economic and Community Development (RECD).

The 1995 Farm Bill passed under the present Administration also for the first time presented Rural Development programs in the forefront of its Guidance to the Administration preceded only by its discussion of Commodity and Marketing Programs. In 1995, The Economic Research Service also published Understanding Rural America which provides the latest up to date information on the diversity and complexity of the changes facing rural America today.

File Rg

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release February 10, 1996

STATEMENT BY THE PRESIDENT

Today I have approved H.R. 2029, the "Farm Credit System Reform Act of 1996," which will reform and expand the activities of the Federal Agricultural Mortgage Corporation (Farmer Mac), as well as provide regulatory relief to members of the Farm Credit System.

This bill should lower the cost of credit for farmers and ranchers by passing along the benefit of Farmer Mac's lower interest rates to local banks. Other changes also will make it more attractive for county and regional banks to participate in the Farmer Mac program, which will link these local banks to national and international credit markets.

This bill is an example of the kind of reinventing government that I have encouraged in all areas of government. Under this new law, banks and farmers will have less paperwork, and the auditing programs will be freer to target areas of major concern.

As Farmer Mac takes on new business responsibilities as a mortgage purchaser and an issuer of securities, it will be important for the Farm Credit Administration and the Treasury Department to monitor the use of these new authorities to ensure the continued safety and soundness of this government-sponsored enterprise. Similarly, the relevant congressional committees have requested the Farm Credit Administration, working with the Treasury, to conduct periodic evaluations of Farmer Mac.

I also note that H.R. 2029 maintains a common board of directors for the Farm Credit System Insurance Corporation and the Farm Credit Administration, which serves as a regulator of the system. As previously proposed by the Administration, the Congress should reconsider this structure in the future to provide more independence for the board.

I am pleased to sign this bill in order to expand opportunities and lower costs for the ranchers and farmers of America.

WILLIAM J. CLINTON

THE WHITE HOUSE,
February 10, 1996.

# # #

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NEWS

UNITED STATES DEPARTMENT OF AGRICULTURE
Office of Communications News Room 460-A
Washington, DC 20250-1300
Internet: News@usda.gov Phone: 202-720-9035
World Wide Web Home Page: http://www.usda.gov

Release No. 0072.96

Tom Amontree (202) 720-4623
Bruce Merkle (202) 720-8206

GLICKMAN FORCED TO ANNOUNCE INTERIM TERMS OF 1996 RICE PROGRAM ABSENT CONGRESSIONAL ACTION ON FARM BILL

WASHINGTON, Feb. 16, 1996--Acting to ease some of the uncertainty caused by Congress' inability to pass a 1995 Farm Bill, Agriculture Secretary Dan Glickman today announced proposed terms of a rice program for the 1996 crop year. Glickman used his authority under the Commodity Credit Corporation Charter Act to determine the provisions of the program.

"I want to stress that these interim provisions are not designed to take the place of a rice program adopted by Congress," said Glickman. "I do not intend, nor want, this announcement to interfere with the current farm bill debate. Rice producers can use these provisions as an 'insurance policy' to arrange for financing and begin making their planting decisions. In the absence of new legislation, the industry can be assured that these provisions will provide an adequate safety net," said Glickman.

Sign up for participation in the 1996 rice program is not required in order to be eligible for price support. Absent new statutory authority, no deficiency payments will be made on the 1996 crop. The only benefit available for eligible 1996-crop rice would be a nonrecourse loan at a proposed minimum price support rate of $9.50 per hundredweight. In comparison to an extension of the statutory provisions applicable to the 1995 crop, this loan rate will protect farm income and result in comparable costs to the Government.

"I also intend to propose that the cost reduction option provisions of the Food Security Act of 1985, as amended, be used in order to reduce the costs of the program," Glickman said. "This would allow a producer to repay the loan at less than the original loan amount."

Details of the proposed 1996 rice program will be published in the Federal Register. Comments will be requested at that time in order to obtain public input prior to making final decisions on the provisions of the program.

#

NOTE: USDA news release and media advisories are available on the Internet. Access the USDA Home Page on the World Wide Web at *http://www.usda.gov*

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

February 16, 1996

RICE PROGRAM ANNOUNCEMENT

- Secretary Glickman announced that the Department will issue a proposed regulation on a 1996 rice program based on the authority provided to the Secretary in the Commodity Credit Corporation (CCC) Charter Act and the cost reduction authority of section 1009 of the Food Security Act of 1985. The final program will be announced following a 30 day public comment period.

- Under the proposal, rice farmers will be eligible to pledge their crop as collateral for a nonrecourse loan at a rate of $9.50 per hundredweight (cwt). Using the cost reduction authority, the Secretary is proposing to permit producers to repay the loans at the world price for rice. The proposed program will operate similar to the current marketing loan program.

- The statutory authority on which the proposal is based does not permit the Secretary to offer a program with many common features of the current rice program, such as: target price-deficiency payments, acreage restrictions, and payment yields. The proposed program will also not require farmers to sign up to receive benefits.

- This announcement will provide certainty to rice farmers, who are attempting to secure financing for the 1996 crop, that the Department of Agriculture will offer a rice program if Congress fails to act on a farm bill. The Secretary has previously announced tentative provisions of the 1996 programs for wheat, feed grains, and upland cotton, contingent on congressional action.

- The farm bill may affect the final disposition of the proposal.

THE PROPOSAL AT A GLANCE
(USDA Estimates)

PROGRAM PROVISION	1995 PROGRAM	1996 EXTENSION	SENATE BILL	HOUSE BILL	PROPOSAL
loan rate (cwt)	$6.50	$6.50	$6.50	$6.50	$9.50
target price (cwt)	$10.71	$10.71	na	na	na
deficiency payment (cwt)	$3.22	$3.04	na	na	na
contract payment (cwt)	na	na	$2.87	$2.77	na
market loan gain (cwt)	$0.00	$0.30	$0.30	$0.30	$3.30
planted acres (millions)	3.12	3.35	2.75	2.75	3.20
production (millions cwt.)	173.9	190.2	156.3	156.3	183.5
exports (millions cwt)	84.0	85.4	54.8	54.8	83.0
total net revenue over variable costs	$857 million	$713 million	$817 million	$802 million	$842 million
estimated outlays	$474 million	$540 million	$526 million	$509 million	$593 million

USDA Responds To Northwest Floods: In response to flooding in the Pacific Northwest, USDA has mobilized efforts to provide assistance. Food and Consumer Services (FCS) is working with each of the affected states to provide commodities where needed and is discussing possible modifications to the Food Stamp Program.

In each of the affected states, USDA has initiated damage survey reports. Once these surveys are completed, the information will be used to determine eligibility for several Department programs. Both programs have serious funding problems, and USDA has sent a letter to OMB detailing these needs.

USDA has also made available to eligible producers the FSA emergency loan program, which provides low-interest loans to those who cannot find credit else-where. FSA is also working with producers who participate in the crop insurance program to survey their damages so that timely claims can be made.

Rice Program Announcement To Be Made: On February 16, to ease uncertainty caused by Congress' failure to pass a farm bill, Secretary Glickman will announce proposed terms of a rice program for the 1996 crop year. Authority for this announcement comes under the Commodity Credit Corporation Charter Act to determine the provisions of the program. The interim provisions are not designed to take the place of a rice program adopted by Congress. In the absence of new legislation, the industry can be assured that these provisions will provide an adequate safety net.

Tentative Agreement Reached On Tongass Timber Issue: On February 10, USDA reached a tentative agreement with plaintiffs in AWRTA (Alaska Wilderness Recreation and Tourism Association v. Morrison that will permit the Forest Service to offer 141 million board feet (mmbf) from the Tongass National Forest (Alaska) to small and independent timber companies in FY96. This agreement, which has not been made public, coupled with sales already planned and sold, should ensure that the independents actually cut about 100 mmbf this fiscal year, more than double the average historic level they harvest annually from the Tongass.

Secretary's Schedule: On February 19-20, Secretary Glickman will travel to Idaho to tour the National Interagency Fire Center and address the Idaho Agriculture Summit and Boise City Club. At the end of February, the Secretary will travel to the Northwest on timber related issues.

ELIZ DYE
DPC

Contacts for Farm Bill / Ag. Issues

USDA

Martha Phipps
Deputy Chief of Staff, USDA
202-543-2905 (hm)
1-800-644-0370 beeper

Greg Frasier
Chief of Staff, USDA
202-543-7643 (hm)
1-800-710-5528 beeper

NEC

Daniel Heath
202-966-0599 (Sat.)
808-879-1202 (Sun. -- Hawaii!)

SCHEDULE OF THE PRESIDENT

FOR

SATURDAY, FEBRUARY 10, 1996

CLINTON/GORE TRAVEL DAY

APPOINTMENT SCHEDULER:	**STEPHANIE STREETT**	
	HOME:	**202-332-5651**
	OFFICE:	**202-456-7560**
	WHCA PAGER:	**4033**
	CELL PHONE:	**202-494-9855**
TRIP COORDINATOR:	**NICOLE ELKON**	
	HOME:	**202-332-2350**
	OFFICE:	**202-456-6481**
PRESS DESK:	**JEREMY GAINES**	
	HOME:	**202-362-5475**
	OFFICE:	**202-456-5771**
	WHCA PAGER:	**4194**

SCHEDULE OF THE PRESIDENT
FOR
SATURDAY, FEBRUARY 10, 1996

CLINTON/GORE TRAVEL DAY

tba	**MORNING RUN**
7:30 am- 7:45 am	**BRIEFING FOR RADIO ADDRESS** OVAL OFFICE Staff Contact: Rica Rodman
7:45 am- 8:00 am	**TAPE RADIO ADDRESS** OVAL OFFICE Remarks: David Shipley Staff Contact: Rica Rodman
8:00 am- 8:05 am	**SIGNING OF THE DEPARTMENT OF DEFENSE REAUTHORIZATION BILL AND THE FARM CREDIT SYSTEM REFORM ACT** OVAL OFFICE Staff Contact: John Hilley, Todd Stern **WHITE HOUSE PHOTO ONLY**
8:15 am	**THE PRESIDENT** proceeds to the South Lawn **Note: This departure is closed to staff and guests.**
8:20 am	**THE PRESIDENT** departs the White House via Marine One en route Andrews Air Force Base [flight time: 10 minutes]
8:30 am	**THE PRESIDENT** arrives Andrews Air Force Base
8:40 am	**THE PRESIDENT** departs Andrews Air Force Base via Air Force One en route Cedar Rapids Airport, Cedar Rapids, Iowa [flight time: 2 hours, 55 minutes] [time change: - 1 hour]

10:35 am	(CST)	**THE PRESIDENT** arrives Cedar Rapids Airport, Cedar Rapids, Iowa **CLOSED PUBLIC** **OPEN PRESS**
		Greeters: Senator Tom Harkin State Senator Wally Horn Lee Clancy, Mayor, Cedar Rapids Nancy Evans, Council Member, Cedar Rapids Mike Petersen, Chair, Iowa Democratic Party Kay Chapman, Clinton/Gore State Steering Committee Patricia Marshall, Clinton/Gore County Coordinator Mike Tramontina, Clinton/Gore State Director
10:45 am		**THE PRESIDENT** departs Cedar Rapids Airport, Cedar Rapids, Iowa via motorcade en route the University of Iowa, Iowa City, Iowa [drive time: 30 minutes]
11:15 am		**THE PRESIDENT** arrives the University of Iowa, Iowa City, Iowa
		Greeter: Mary Sue Coleman, President, University of Iowa Members, Board of Regents Ruth Harkin

11:30 am-
12:30 pm

REMARKS TO THE PEOPLE OF IOWA CITY
CARVER HAWKEYE ARENA
The University of Iowa
Remarks: Jonathan Prince
Staff Contact: Doug Sosnik
Event Coordinator: Nicole Elkon
OPEN PRESS

PRE-PROGRAM

-- Allison Miller, University of Iowa, makes welcoming remarks.

-- Bob Rush, Candidate for Congress and Clinton/Gore County Chair, makes remarks and introduces Allison Miller, Student and Clinton/Gore Campus Coordinator, University of Iowa.

-- The Pre-Program concludes.

-- Off-stage announcement of **the President** and Senator Tom Harkin.

-- Student tba makes remarks and introduces Senator Tom Harkin.

-- Senator Tom Harkin makes remarks and introduces **the President**.

-- **The President** makes remarks.

-- Upon conclusion of remarks, **the President** works a ropeline and departs.

12:30 pm-
12:35 pm

DRIVER PHOTOS
HALLWAY
The University of Iowa

12:35 pm- 1:35 pm	**MEET AND GREET WITH CLINTON/GORE SUPPORTERS** BIG TEN ROOM, THIRD FLOOR The University of Iowa Staff Contact: Doug Sosnik Event Coordinator: Nicole Elkon **CLOSED PRESS** – **The President** does a photo line.
1:35 pm- 1:40 pm	**CLINTON/GORE VOLUNTEER PHOTOS** HALLWAY The University of Iowa
1:40 pm	**THE PRESIDENT** departs the University of Iowa, Iowa City, Iowa via motorcade en route Cedar Rapids/Iowa City Airport, Cedar Rapids, Iowa [drive time: 30 minutes]
2:10 pm	**THE PRESIDENT** arrives Cedar Rapids/Iowa City Airport, Cedar Rapids, Iowa
2:20 pm	**THE PRESIDENT** departs Cedar Rapids Airport, Cedar Rapids, Iowa via Air Force One en route Mason City Airport, Mason City, Iowa [flight time: 1 hour]
3:20 pm	**THE PRESIDENT** arrives Mason City Airport, Mason City, Iowa Greeters: Mary Jo Lorge, Clinton/Gore County Coordinator Kathy Ann King Robert James King Ashley Elizabeth King Hunter Murray Dr. Ronald Masters, County Party Chair Patricia DeLung James DeLung Amanda Ragan, State Central Committee Dave Nagle, former member of Congress Charles John Wishman
3:30 pm	**THE PRESIDENT** departs Mason City Airport, Mason City, Iowa via motorcade en route the Farmers' Co-op Society, Clearlake, Iowa [drive time: 10 minutes]
3:40 pm	**THE PRESIDENT** arrives the Farmers' Co-op Society, Clearlake, Iowa

3:45 pm- 4:10 pm	**TOUR GRAIN ELEVATOR** THE FARMERS' CO-OP SOCIETY Staff Contact: Carol Rasco, Jeremy Ben-Ami Event Coordinator: Nicole Elkon **POOL PRESS**
4:15 pm	**THE PRESIDENT** departs the Farmers' Co-op Society, Clearlake, Iowa via motorcade en route Northern Iowa Area Community College [drive time: 15 minutes]
4:30 pm	**THE PRESIDENT** arrives North Iowa Area Community College Greeters: Dr. Bvettner, President, North Iowa Area Community College John Groninga, Faculty, North Iowa Area Community College and Former State Representative
5:00 pm- 6:00 pm	**ADDRESS TO RURAL COMMUNITY** AUDITORIUM North Iowa Area Community College Remarks: Carolyn Curiel Staff Contact: Carol Rasco, Jeremy Ben-Ami Event Coordinator: Nicole Elkon **OPEN PRESS**

- Off-stage announcement of **the President** and Senator Tom Harkin.
- Dr. Bvettner, President, North Iowa Area Community College, makes welcoming remarks and introduces Deo Koenigs, State Representative.
- Deo Koenigs makes remarks and introduces Senator Tom Harkin.
- Senator Harkin makes remarks and introduces **the President**.
- **The President** makes remarks.
- Upon conclusion of remarks, **the President** works a ropeline and departs.

6:00 pm- 6:30 pm	**VISIT OVERFLOW GYM** NORTH IOWA AREA COMMUNITY COLLEGE Staff Contact: Carol Rasco, Jeremy Ben-Ami Event Coordinator: Nicole Elkon **POOL PRESS**

6:30 pm- 7:30 pm	**MEET AND GREET WITH CLINTON/GORE SUPPORTERS** ROOM TBA North Iowa Area Community College Staff Contact: Doug Sosnik Event Coordinator: Nicole Elkon **CLOSED PRESS** – **The President** does a photo line.
7:35 pm	**THE PRESIDENT** departs North Iowa Area Community College via motorcade en route private farm [drive time: 20 minutes]
7:55 pm	**THE PRESIDENT** arrives private farm Greeters: Bruce and Sally Davidson
8:00 pm- 9:00 pm	**DINNER WITH FAMILY FARMERS** PRIVATE FARM Staff Contact: Doug Sosnik Event Coordinator: Nicole Elkon **POOL SPRAY (At the top)**
9:05 pm	**THE PRESIDENT** departs private farm via motorcade en route Mason City Airport, Mason City, Iowa [drive time: 10 minutes]
9:15 pm	**THE PRESIDENT** arrives Mason City Airport, Mason City, Iowa
9:30 pm	**THE PRESIDENT** departs Mason City Airport, Mason City, Iowa via Air Force One en route Des Moines Airport, Des Moines, Iowa [flight time: 1 hour] **OPEN PRESS** **CLOSED PUBLIC**
10:30 pm	**THE PRESIDENT** arrives Des Moines Airport, Des Moines, Iowa **OPEN PRESS** **CLOSED PUBLIC** Greeters: Arthur Davis, Mayor, Des Moines Judy McCoy Davis, Former Executive Director, Iowa Democratic Party Jerry Crawford Linda Crawford Lowell Junkins

10:45 pm	**THE PRESIDENT** departs Des Moines Airport, Des Moines, Iowa via motorcade en route the Savery Hotel [drive time: 15 minutes]
11:00 pm	**THE PRESIDENT** arrives the Savery Hotel
BC RON	**SAVERY HOTEL, DES MOINES, IA**
HRC RON	**THE WHITE HOUSE**

SCHEDULE OF THE PRESIDENT

FOR

SUNDAY, FEBRUARY 11, 1996

CLINTON/GORE TRAVEL DAY

APPOINTMENT SCHEDULER:	**STEPHANIE STREETT**	
	HOME:	**202-332-5651**
	OFFICE:	**202-456-7560**
	WHCA PAGER:	**4033**
	CELL PHONE:	**202-494-9855**

TRIP COORDINATOR:	**NICOLE ELKON**	
	HOME:	**202-332-2350**
	OFFICE:	**202-456-6481**

PRESS DESK:	**JEREMY GAINES**	
	HOME:	**202-362-5475**
	OFFICE:	**202-456-5771**
	WHCA PAGER:	**4194**

as of February 9, 1996 12:04pm

SCHEDULE OF THE PRESIDENT
FOR
SUNDAY, FEBRUARY 11, 1996

<u>CLINTON/GORE TRAVEL DAY</u>

tba	**MORNING RUN**
9:20 am	**THE PRESIDENT** departs the Savery Hotel via motorcade en route Church [drive time: 5 minutes]
9:25 am	**THE PRESIDENT** arrives Church
9:30 am- 10:45 am	**CHURCH**
10:50 am	**THE PRESIDENT** departs Church via motorcade en route AK O'Connors Bar and Grill [drive time: 15 minutes]
11:05 am	**THE PRESIDENT** arrives AK O'Connors Bar and Grill Greeter: Kevin, F. Lynch, Owner, AK O'Connors Bar and Grill
11:10 am- 12:00 pm	**BREAKFAST WITH FLOOD VICTIMS** AK O'CONNORS BAR AND GRILL Remarks: Gabrielle Bushman Staff Contact: Steven Silverman Event Coordinator: Nicole Elkon **POOL PRESS**
12:05 pm	**THE PRESIDENT** departs AK O'Connors Bar and Grill via motorcade en route Drake University [drive time: 15 minutes]
12:20 pm	**THE PRESIDENT** arrives Drake University Greeters: Dr. Ferrari, President, Drake University Student tba, President, Student Body, Drake University Mike Petersen, Chair, Iowa Democratic Party

12:30 pm- 1:15 pm	**ROUND TABLE DISCUSSION ON WORK-STUDY PROGRAM** CLASSROOM 104 Drake University Remarks: Gabrielle Bushman Staff Contact: Carol Rasco, Jeremy Ben-Ami Event Coordinator: Nicole Elkon **POOL PRESS**
1:30 pm- 2:30 pm	**REMARKS TO THE PEOPLE OF DES MOINES** KNAPP CENTER Drake University Remarks: Jonathan Prince Staff Contact: Doug Sosnik Event Coordinator: Nicole Elkon **OPEN PRESS**

PRE-PROGRAM

-- Dr. Ferrari, President, Drake University, makes welcoming remarks and introduces Sherry Desing, President, Young Democrats, Drake University.

-- Sherry Desing makes remarks.

-- The pre-program concludes.

- Off-stage announcement of **the President** and Senator Tom Harkin.

- Mayor Davis makes remarks and introduces Senator Tom Harkin.

- Senator Tom Harkin makes remarks and introduces student tba, Drake University.

- Student tba makes remarks and introduces **the President**.

- **The President** makes remarks.

- Upon conclusion of remarks, **the President** works a ropeline and departs.

2:35 pm	**THE PRESIDENT** proceeds on foot to the Old Gym

2:40 pm- 3:00 pm		**VISIT WITH OVERFLOW CROWD** OLD GYMNASIUM Drake University Staff Contact: Doug Sosnik Event Coordinator: Nicole Elkon **POOL PRESS**
3:00 pm		**THE PRESIDENT** proceeds on foot to the Knapp Center
3:05 pm- 3:10 pm		**POLICE AND DRIVER PHOTOS** HALLWAY Drake University
3:10 pm- 4:10 pm		**MEET AND GREET WITH CLINTON/GORE SUPPORTERS** AEROBICS ROOM Drake University Staff Contact: Doug Sosnik Event Coordinator: Nicole Elkon **CLOSED PRESS** – **The President** does a photo line.
4:15 pm		**THE PRESIDENT** departs Drake University via motorcade en route Des Moines Airport, Des Moines, Iowa [drive time: 20 minutes]
4:35 pm		**THE PRESIDENT** arrives the National Guard Ramp, Des Moines Airport, Des Moines, Iowa
4:45 pm	(CST)	**THE PRESIDENT** departs the National Guard Ramp, Des Moines Airport via Air Force One en route Andrews Air Force Base [flight time: 2 hours, 20 minutes] [time change: + 1 hour] **OPEN PRESS** **CLOSED PUBLIC/OPEN TO BASE PERSONNEL**
8:05 pm	(EST)	**THE PRESIDENT** arrives Andrews Air Force Base
8:10 pm		**THE PRESIDENT** departs Andrews Air Force Base via Marine One en route the White House [flight time: 10 minutes]
8:20 pm		**THE PRESIDENT** arrives the White House
BC AND HRC RON		**THE WHITE HOUSE**

THE WHITE HOUSE

WASHINGTON

February 8, 1996

BRIEFING FOR ROUNDTABLE DISCUSSION ON FINANCIAL AID AND WORK-STUDY

DATE: FEBRUARY 11, 1996
LOCATION: DRAKE UNIVERSITY
DES MOINES, IOWA
TIME: 12:30 p.m. - 1:15 p.m.
FROM: CAROL RASCO / JEREMY BEN-AMI

I. PURPOSE

The purpose of this roundtable discussion is to highlight your proposal to dramatically expand the work-study program and how it will help enable families to finance post-secondary education. This event will provide an opportunity for you to hear from students, parents, employers and administrators about financial aid issues generally, and the work-study program in particular. The students participating receive various types of financial aid and are currently (or have in the past) participating in Drake University's federal work-study program.

II. BACKGROUND

In your State of the Union address, you proposed to expand the College Work Study program from 700,000 students to over one million over the next five years. An expansion of this program reaffirms the American ethic, rewarding hard work and helping ensure that all who want a higher education are able to afford it.

III. PARTICIPANTS

YOU
Senator Harkin
Sally Hinders -- Assistant Provost for Career Services, Drake University
Justin Givan -- Student
Mike Givan -- Parent
Molly Adams -- Student
Marilyn Henrich -- Employer
Erica Buster -- Student
Kathleen Buster -- Parent
Jaimie Patel -- Student
Shashi Patel -- Parent
Amber Schafer -- Student
Alan Cubbage -- Employer
Susan Ladd -- Director of Financial Aid, Drake University

IV. PRESS PLAN

Pool Spray

V. SEQUENCE OF EVENTS

Sally Hinders will start the session by welcoming **YOU** to Drake University. She will ask each participant to introduce themselves, make some very brief remarks about the work - study program, and turn to **YOU** for welcoming remarks.

YOU will make brief remarks.

Sally Hinders will begin the discussion by asking Justin and Mike Givan; Erica and Kathleen Buster; and Jaimie and Shashi Patel to talk about the work-study program and what it has meant to their families.

She will then turn to Molly Adams and Marilyn Henrich; and Amber Schafer and Alan Cubbage to talk about the work-study experience from both the student and employer perspective.

Susan Ladd will conclude by talking about the importance of financial aid generally and the impact of the work-study program on students at Drake University.

VI. REMARKS

Talking points prepared by speechwriting

VII. ATTACHMENTS

List of participants and brief biographies
Article about work study at Drake University

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. bio	re: personal [partial] (2 pages)	n.d.	b(6)

COLLECTION:
Clinton Presidential Records
Domestic Policy Council
Elizabeth Drye
OA/Box Number: 10451

FOLDER TITLE:
Farm Event [February 10, 1996] [1]

2014-0046-S
rc1370

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

2/7/96

Field Summary
Mason City- NIACC Auditorium

Counties Targeted: Cerro Gordo, Worth, Mitchell, Howard, Floyd, Chickasaw, Butler, Franklin, Wright, Hancock, Winnebago, Kossuth, Humboldt.

Call Time: 4:00 - Doors Open at 3:15

Greeters: David Buettner,
Dr. Bittner, Pres., North Iowa Community College
John ~~Groninga~~ Granaga, Faculty and former Democratic state Rep.

Clutch: Call time ________________ before the event
Participants in 75 photos should come to the Special Guest Desk at NIACC Lobby to be seated in Special Guest Section. They will be led to clutch room immediately after the speech.

Introduce: Mike Tramontina

no student on

Program: Welcome- Dr. Bittner
Introduce- State Rep. Deo Koenigs, Ranking Democrat in IA. State House Agriculture Committee, farmer in adjoining county.
Harkin
POTUS

- Bittner
- Koenigs
- Harkin
- POTUS

Photographer: ________________, (In motorcade from airport)

Signer: ________________

~~Pres.~~ hold —

(1)

(2) computer demo in holding room

(3) proceed onto stage

Dr. Bitner Welcome - intro Koenigs

Koenigs — Harkin

Harkin — Potus.

"Mr. President you have a home in the Heartland"

Cross-section
~~Fort M~~ Mason City, Cerro Gourdo
~~(cross section of community)~~ Co, and 13
Barbara Wooley — surrounding counties.
specific ag groups.

~~Exit s~~
Works rope line —
We are expecting an overflow crowd

February 8, 1996

VISIT TO FARMERS CO-OP COMPANY GRAIN ELEVATOR

Date:	February 10, 1996
Time:	3:40 p.m. - 4:35 p.m.
Location:	Clear Lake, Iowa
From:	Carol Rasco/Jeremy Ben-Ami

I. PURPOSE

This event is your one opportunity to visit a farm and demonstrate your interest in agriculture issues during this trip to Iowa.

II. BACKGROUND

The Farmers Cooperative Company is a 75 year old co-op with about 500 members who share in the co-op's profits. The cooperative consists of a grain elevator and lumber yard. The elevator buys and sells corn and soybeans. These grains are sold for feed or processed to make, for example, corn sweeteners and ethanol. About half of the grain is exported.

The Administration's policies to increase ethanol use and expand export markets benefit the co-op's members. Farmers throughout Iowa are concerned, however, about a number of issues, including corporate concentration in the agriculture industry and railcar shortages (see attached background papers).

III. PARTICIPANTS

Senator Harkin
Mr. Glenn Brady, Manager. Mr. Brady has worked at the co-op for 36 years.
About 9 employees and their families will observe.

IV. PRESS PLAN

The visit is open to pool press only.

V. SEQUENCE OF EVENTS

1. You will arrive at the grain elevator and enter a small office with Mr. Brady and Senator Harkin. Mr. Brady will give a 10 minute explanation of the co-op and the elevator operation. A farmer delivering corn will drive his truck onto a scale outside the office.

From within the office, Mr. Brady will read the scale and use a probe to obtain a sample of the corn. You will take the grain from the probe bucket and place it into the hopper of a machine that analyzes the grain's moisture content. The grain is sorted into separate bins by moisture level.

2. You, Senator Harkin, and Mr. Brady will walk outside and watch the farmer pour the grain through a grate into the designated elevator bin.

3. You, Senator Harkin, and Mr. Brady will walk around the building and watch the elevator load grain into railcars.

4. Time permitting, you greet employees and their families.

5. You depart.

VI. REMARKS

None.

February 8, 1996

ADDRESS TO RURAL COMMUNITY

Date:	February 10, 1996
Time:	4:30 p.m.- 6:00 p.m.
Location:	North Iowa Area Community College (NIACC) Mason City, Iowa
From:	Carol Rasco/Jeremy Ben-Ami

I. PURPOSE

The speech is an opportunity to communicate your vision and accomplishments to a large rural audience.

II. BACKGROUND

The North Iowa Area Community College (NIACC) was founded in 1918. The school awards associate transfer and terminal degrees. It has 2,923 undergraduate students.

When you arrive, you will see a 5-minute agricultural technology demonstration in the hold area.

You will then speak to an audience of about 2000 people that will include students and faculty of the school, representatives from friendly national agriculture groups, and Clinton-Gore supporters from Mason City, Cerro Gordo County, and 13 surrounding counties. We are expecting an overflow crowd.

A banner behind the stage will read:

MR. PRESIDENT, YOU HAVE A HOME IN THE HEARTLAND

III. PARTICIPANTS

Greeters: **Dr. David Buettner**, President, NIACC.
Mr. John Granaga, Faculty Member and former Democratic State Representative.

Technology Briefing: **Mr. Mark Lage,** continuing education instructor, local farmer, and computer business owner.
Mr. Dana Dinnes (pronounced "Dennis"), Agronomic Demonstration Center Coordinator.

Program: **Dr. Buettner**
Mr. Deo Koenigs, Ranking Democrat on Iowa's House Agriculture Committee, farmer in adjoining county.
Senator Harkin

IV. PRESS PLAN

The technology demonstration is closed to press.
The speech is open press.

V. SEQUENCE OF EVENTS

1. You will arrive in the hold area and see a 5-minute technology presentation. Mark Lage will demonstrate on the computer how global information systems can generate precise maps of local farms to improve farming decisions (e.g. to tailor the amount of fertilizer applied to specific parts of a field based on soil nutrient content). Dana Dinnes will then discuss the environmental and economic benefits of global mapping and precision farming.

2. You, will proceed onto the stage with Dr. Buettner, Mr. Koenigs, and Senator Harkin.

   Dr. Buettner will welcome guests and introduce Mr. Koenigs.
   Mr. Koenigs will introduce Senator Harkin.
   Senator Harkin will introduce you.

3. After your speech, you will work a rope line.

VI. REMARKS

Attached.

February 9, 1996

BRIEFING PAPER FOR IOWA TRIP

Ethanol

Background: Since 1993, the ethanol industry has grown by 50 percent and USDA estimates that increasing ethanol production to two billion barrels by the year 2000 could create as many as 28,000 new jobs. In addition, increasing ethanol production also raises the average price of corn (for every added 200 million bushels of corn that go to ethanol, corn prices may rise as much as eight cents -- increasing the income of corn producers by hundreds of millions of dollars). The reverse is also true. If ethanol production decreases, farm incomes fall while deficiency payments rise.

Senator Harkin has helped rally other Midwestern Senators on further expansion of the use of ethanol. He held hearings in the 103rd Congress to show the advantages of ethanol over other gasoline additives. Senator Harkin actually drank ethanol at one of these hearings -- a true believer!

Last year the House Ways and Means Committee passed provisions to eliminate the ethanol tax exemptions. Representative Nussle originally supported the provisions, and was subject to much criticism for this support from other members of the Iowa delegation. He subsequently met with Speaker Gingrich to urge the removel of those provisions from the House budget proposal.

The Clinton Administration issued a letter strongly opposing the elimination of the ethanol tax exemption and stated its commitment to the future growth of the ethanol industry. The provision were ultimately removed from the budget proposal.

The state of Iowa has a 1 cent per gallon ethanol incentive.

There are five plants in Iowa that produce a total of 423 million gallons of ethanol each year.

Archer Daniels Midland	Cedar Rapids	200,000,000
Archer Daniels Midland	Clinton	160,000,000
Cargill, Inc.	Eddyville	35,000,000
The Hubinger Co.	Keokik	18,000,000
Grain Processing Corporation	Muscatine	10,000,000

Administration Action: The Administration is committed to the continued growth and development of the U.S. ethanol industry. Secretary Glickman and Administrator Browner have both testified before the Senate Agriculture Committee on ethanol. We are on record as strongly opposing any effort to reduce or repeal the alcohol fuels tax exemption. If pending legislation eliminating ethanol's excise tax exemption (S.1066) is enacted, corn farm income could decrease in the neighborhood of $3 billion - $450 - 600 million alone in Iowa.

February 6, 1996

BRIEFING PAPER FOR IOWA TRIP

Export Embargo

Background: Currently, there are record tight world and domestic grain supplies, and the markets have responded with extremely high prices. In recent weeks, there have been rumors that the Administration is considering an export embargo and/or an export tax to ensure that adequate domestic grain supplies are maintained. These rumors have caused substantial drops in the markets and are the subject of considerable interest and concern among the agricultural community, including the media and Congress.

There is no truth to the rumors, which Dr. Tyson and Secretary Glickman have repeatedly denied. The Administration is categorically not considering an export embargo or an export tax. USDA reports indicate that there are adequate domestic supplies and that there will be a small effect, if any, on the CPI as a result of increased grain prices.

Administration Action: Given the high-level of interest in this issue and its controversial nature, it would be extremely helpful if, while in Iowa, you could reiterate the fact that the Administration is not and will not consider an export embargo or an export tax.

Secretary Glickman recently announced that USDA will provide "early outs" for certain producers who have nonenvironmentally-sensitive land enrolled in the Conservation Reserve Program (CRP), which would bring more land into production, thereby helping to address the concerns in this policy area.

February 7, 1996

BRIEFING PAPER FOR IOWA TRIP

Concentration Issues

Vertical Integration: Vertical integration generally refers to any number of arrangements whereby packers and/or processors contract with producers, frequently larger producers, to obtain livestock rather than purchasing such livestock on the open market. Many are concerned about the impact such arrangements have on the continued existence of an open market for independent producers, i.e., that vertical arrangements with large hog operations results in a captive supply for packers/processors.

Corporate Concentration: Four firms control between 80 percent and 90 percent of the meatpacking market for red meat. Plants which slaughter hogs are not as heavily concentrated. Agricultural producers are concerned that this increased concentration results in lower livestock prices by reducing competition in the marketplace and leads to unfair trade practices against small producers.

Large Hog Operations: The growth of large hog operations is one of the most divisive issues in many parts of rural America, including Iowa. The Southeastern United States has greatly increased its share of U.S. hog production, primarily as a result of large operations, which have now been appearing in the Midwest over the past several years. State and local laws are determinant of whether such operations are built, including environmental regulation. Secretary Glickman has said that he is concerned about the ability of small- and mid-sized producers to compete as well as indicated concern about environmental harm from these large operations.

Railroad: There has been a great deal of concern in Iowa and other parts of the Midwest this past fall regarding the shortage of railcars for shipping grain to market. Grain has been stockpiled outside, where it could suffer weather damage. A recent USDA report documented that railcar shortages adversely affect the prices farmers receive as well as U.S. competitiveness in world markets. Related to railcar shortages is increased concern regarding railroad mergers and the elimination of the Interstate Commerce Commission.

Administration Action

Secretary Glickman's Committee on Concentration will examine vertical integration issues as part of its mandate and recommend specific steps that the Administration should take to address the policy concerns in this area.

Secretary Glickman will soon release a Congressionally-mandated report analyzing the effect, if any, that increased concentration in the red meat packing industry has on competition and agricultural producers. He is also preparing to announce the establishment of an advisory committee later this month to evaluate the concentration report as well as other issues relative to concentration and vertical integration. Senator Daschle has authored legislation, which has been approved by the Senate, to establish a Presidential Commission to review the concentration issue. Senator Harkin is a cosponsor of the bill and Secretary Glickman has endorsed this legislation. However, because the House Agriculture Committee has not taken action on the House version of this legislation, Secretary Glickman is prepared to act under existing authority to establish an advisory committee on concentration issues. Specifically, this committee is expected to perform the review required by the legislation as well as evaluate other issues, such as USDA enforcement of the Packers and Stockyards Act to protect against unfair trade practices, the role, if any, that USDA's loan and research programs play in encouraging or discouraging concentration, environmental issues, railroad concentration and railcar shortages, and issues surrounding vertical integration.

In addition, USDA has filed an administrative enforcement action against IBP Inc., which is the largest meat packer, alleging that certain fact-specific contracting arrangements constitute unfair trade practices under the Packers and Stockyards Act (PSA). The case, which is currently in the administrative adjudication process, has important implications for USDA's enforcement capabilities under the PSA.

Assistance to abate water pollution resulting from animal agriculture is provided through four USDA cost-sharing programs.

USDA has formed a railcar working group to develop long-term solutions to the problem of railcar shortages. Last fall, Secretary Glickman met with railroad industry representatives to encourage them to respond to problems caused by railcar shortages, and USDA worked with grain producers, elevators, and railroads to coordinate responses to critical railcar shortages.

February 7, 1996

BRIEFING PAPER FOR IOWA TRIP

Corn in Iowa

Corn is the most important contributor to cash receipts in Iowa representing, 26 percent of all agricultural cash receipts in 1994. Iowa is the most important corn producing state in the nation, contributing 17 percent of the value of U.S. corn production in 1994.

Despite the generally tight outlook nationally, there have been reports that corn remains on the ground in areas of the western Corn Belt. This apparently reflects problems in rail transportation, as agricultural users face sharp competition from other sectors. There have also been problems associated with recent mergers and consolidation of the rail industry.

Nationally, The current corn market is the strongest in years, bolstered by robust demand and a sharp drop in production. Demand has been strong from domestic and international corn users and ending stocks are projected to fall very low in 1995/96. High prices are expected to lead to a significant expansion in acreage in 1996.

U.S. corn production in 1995 was 7.37 billion bushels, down 27 percent from the record 1994 crop. Average U.S. yields fell 25 bushels per acre (18 percent) to 113.5 bushels. Corn production in Iowa mirrored this decline, falling 27 percent to 1.4 billion bushels. The drop in Iowa's 1995 corn crop reflected lower acreage after a very wet spring and lower yields. Iowa corn yields fell 18 percent to 123 bushels per acre, still one of the highest of any major corn growing state.

The average price of corn received by U.S. farmers in January hit $3.21 per bushel (preliminary), the highest price since July 1984. In Iowa, the preliminary January price hit $3.10 per bushel.

U.S. Exports of Corn

World trade in corn in 1995/96 is expected to fall significantly from 1994/95 levels. In 1994/95, the United States, with its record harvest, registered the fourth-largest export level ever. Tight supplies will cut availabilities for use in the United States and will also limit our ability to meet foreign demand for U.S. corn.

- Limited availabilities from competitors will likely result in reduced world corn trade next year.

- China, the only major competition for U.S. corn exports in the early 1990s, banned exports in late 1994 as internal prices rose above world market levels. China's departure from the world corn market as a significant exporter, and its re-emergence as an importer of more than 4 million tons helped increase U.S. export opportunities in Asia in 1994/95. Such opportunities are expected to continue in 1995/96 as China is not expected to export more than 1 million tons, whereas Asian import demand (excluding China) is expected to reach near-record levels in 1995/96.

U.S. Corn Export Commitments Up Since January:

Since the January USDA export estimate for U.S. corn exports, nearly 4.7 million additional tons has been added to our level of export commitments. The United States has, for the past six months, been the only real player in the corn export market, especially now that China seems to be unable to meet growing internal needs and maintain a major export program. But a short U.S. crop in 1996 will limit our ability to fully capitalize on the position.

- Importers in Asia, with strong economies and growing livestock sectors, are moving at a record pace to secure needed feed supplies. U.S. corn will meet the bulk of their needs, but purchases of feed quality wheat and rye from the European Union are already moving into the region.

Tight Supplies Restrict World Coarse Grain Trade:

Global trade of coarse grains during 1995/96 is forecast at 87.8 million tons, below the 95.8 million ton level of 1994/95. Tight supplies in most exporter countries are still expected to limit availabilities for export, though import demand is still projected to be strong.

- Foreign stock levels are forecast to continue their multi-year slide.

- U.S. stocks, rebuilt somewhat from last year's record corn crop, are also forecast to drop sharply. World stock levels at the end of the 1995/96 season are forecast to drop about 48 million tons to roughly 86 million tons--the lowest level since 1973/74.

- The global stocks-to-use ratio is forecast to fall to 10.3 percent, the lowest level on record.

February 6, 1996

BRIEFING PAPER FOR IOWA TRIP

Soybeans in Iowa

In 1995, Iowa was the largest soybean-producing state (398 million bushels) in the largest soybean producing and exporting country of the world, the United States. Soybeans are the third-largest contributor to cash receipts in Iowa, responsible for 21 percent of 1994's cash receipts. Producers will likely be concerned with the flexibility provisions of the farm bill and early-out provisions of the CRP program.

Iowa soybean prices in January were at the highest level since 1989. A hot summer and shortened growing season in 1995 depressed soybean yields. Soybean yields in the state are down about 15 percent from last year's record levels. This is about the same as the decline in yields nationwide. Iowa soybean production is down 10 percent, slightly lower than the national decline of 14 percent.

Demand for soybeans remains high, despite high grain prices. U.S. livestock production continues to expand, which has resulted in strong demand for soybeans. Weather problems and credit difficulties for South American soybean producers could curtail competing supplies, while robust foreign demand, especially from Asia, is straining supplies.

U.S. Exports of Soybeans

In 1994/95, nearly one-third of the 2.5 billion bushels of soybeans produced in the United States were exported. The value of U.S. soybean exports in 1994/95 was nearly $5.3 billion. More importantly, the United States' position as a net-soybean exporter provides more than $5 billion dollars to the U.S. balance of trade. Therefore, it is important to maintain and expand world markets for U.S. soybeans and their products.

USDA is focusing on three main issues to ensure that foreign markets for U.S. soybeans and products remain open. First, China's accession to the World Trade Organization is of considerable importance to U.S. soybean growers as China's economy continues to grow. Second, we are working to ensure that our trading partners do not restrict the trade of agricultural products, including soybeans, produced through biotechnology. Biotechnology represents the new frontier in agricultural production, of which the United States is in the forefront. We want to ensure that reviews of genetically modified products by other countries are fair, timely, and science-based. Finally, we continue to monitor the commitments made by our trading partners in the Uruguay Round, such as the Blair House Agreement.

The major growth markets for soybeans and products lie abroad. USDA administers several programs which help to establish, maintain, and expand our position overseas. In FY96, the Foreign Agricultural Service (FAS) has made available about $7.8 million to the U.S. soybean industry which, when combined with the $11 million generated by producer check-off funds, will promote U.S. exports of soybeans and products to over 60 countries in the world. These activities are critical to maintaining and expanding our markets in the European Union, Japan, China, Southeast Asia, and Mexico.

In FY96, FAS has allocated about $7.8 million to the American Soybean Association to promote exports of soybeans and products in over 60 countries, through the Market Promotion Program (MPP). This program is critical in maintaining and expanding our markets in the European Union, Japan, China, southeast Asia, and Mexico. FAS also works closely with the United Soybean Board (USB) to build new export markets. In FY96, USB has earmarked about $11 million in grower check-off funds to boost exports of U.S. soybeans.

February 6, 1996

BRIEFING PAPER FOR IOWA TRIP

U.S. Beef Exports Expected to Rise in 1996

U.S. beef exports are expanding, as a result of increased production, competitive prices and strong demand for higher-quality beef in foreign markets.

- The United States currently exports about 7 percent of its beef production, up from just over 4 percent in 1990.

- For all of 1995, beef exports are expected to total a record 839,000 tons (or about $2.6 billion), up about 15 percent from 1994. This growth is expected to continue in 1996, with exports increasing nearly 15 percent to 962,000 tons.

- Current USDA forecasts point to the United States becoming a net exporter of beef (volume basis) for the first time in 1996.

Beef Exports to Japan and Korea Up Sharply

East Asia is the primary market for U.S. beef, accounting for roughly 75 percent of U.S. shipments in the first 10 months of 1995. These markets continue to grow quickly.

- Beef exports to Japan, the largest export destination for U.S. beef, grew nearly 19 percent from January to October 1995, compared to the same period a year ago. During this time, the U.S. share of the Japanese beef import market grew from 41 percent to 44 percent, compared to the same period in 1994.

- In Japan, import tariff reductions, increasing beef demand, and reduced fed-beef supplies in Australia are expected to boost purchases of U.S. product this year.

- The gradual privatization of Korea's system to import beef has favored U.S. product. U.S. exports to Korea grew 52 percent from January to October 1995, compared to the same period a year ago.

- Further liberalization of Korea's import system for beef, strong domestic beef demand, and reduced competition from Australia are expected to foster additional export growth this year.

February 6, 1996

BRIEFING PAPER FOR IOWA TRIP

United States Becomes a Net-Exporter of Pork for the First Time in 43 Years

Many of the pork producers and processors in Iowa have recognized the value and importance of the export market. Over the last several years, pork exports have grown at a rapid pace from 82,187 metric tons in 1990 to 177,313 metric tons in 1994, an increase of 116 percent.

- Through October 1995, CY95 exports had already exceeded the CY94 total by 47,086 metric tons, with total CY95 exports expected to reach a record 261,000 metric tons.
- This explosion of pork exports turned the United States from a net importer to a net exporter, something that has not occurred in 43 years.
- Presently, U.S. pork exports account for only 4 percent of total production.
- Approximately 50 percent of all pork exported is shipped to Japan, followed by Russia (18 percent), Mexico, (8 percent), Canada (6 percent), and Korea (5 percent). In early 1995, exports to Russia were aided by subsidized sales, leading to a continuation of sales on a strictly commercial basis since last April. The increase in pork exports to Korea was aided by the successful conclusion of negotiations on shelf-life requirements.

For 2/8
Interviews
w/Iowa Reporters

FARM BILL UPDATE:

Two-to-one, the Senate today passed S. 1541, the farm bill. The 64 to 32 vote split largely along party lines with the following Democratic Senators voting for final passage: Akaka, Baucus, Biden, Boxer, Feinstein, Ford, Graham, Heflin, Inouye, Johnston, Leahy, Lieberman, Mosley-Braun, Nunn, Pell, Robb, Simon, and Wyden.

None of the amendments adopted fundamentally changed its defining features, which remain virtually identical to the agriculture provisions of the vetoed budget reconciliation bill. Over its seven years, the legislation guarantees fixed payments to wheat, feed grains, cotton, and rice farmers, undoing the countercyclical nature of current farm programs. The legislation frees farmers to plant whatever they wish by ending land-idling and historic practices requirements; although this provision is somewhat more expansive than what the Administration proposed, it is not objectionable .

Major amendments Senators approved that address priorities of the Administration include:

–the Ford amendment establishes the Fund for Rural America, providing $50 million in FY96, $100 million in FY97, and for FY98, $150 million for research and rural development;

–the Leahy en bloc amendment reauthorizes nutrition and conservation programs; permits new acreage into the Conservation Reserve Program; strikes the bill's ban on using permanent easements under the Wetlands Reserve Program; establishes a new program to control livestock-related environmental problems, the Enivironmental Quality Incentive Program (EQUIP), and provides $200 million for Everglades restoration;

–an amendment to retain permanent law, which the introduced bill repealed; and

–a Lugar en bloc amendment that, among many things, increases the price support for oilseeds to 85% of the average market price of the preceeding 5 years and includes research, trade, credit, and rural development titles consisting largely of Administration farm bill recommendations and passed by the Committee last year.

Other adopted amendments of note include:

–the Wellstone amendment striking the Northeast Dairy Compact;

–the Brown amendment restricting the ability of the Forest Service to obtain water rights in certain circumstances;

–the Bryan-Bumpers amendment restricting the Market Promotion Program to small businesses and prohibiting brand name promotions; and

-the Graham amendment addressing assorted Florida-related crop insurance concerns.

48 to 48, the Senate rejected the Dorgan amendment which would have required farmers to plant to earn payments under the bill and 33 to 63, rejected the Daschle substitute.

Feb. 7. 1996 6:57PM USDA No. 2468 P. 2/7

NEWS

UNITED STATES DEPARTMENT OF AGRICULTURE
Office of Communications News Room 460-A
Washington, DC 20250-1300
Internet: News@usda.gov Phone: 202-720-9035
World Wide Web Home Page: http://www.usda.gov

Release No. 0058.96

Tom Amontree (202) 720-4623

Statement

by
Agriculture Secretary Dan Glickman
on Senate Approval of 1995 Farm Bill Legislation
February 7, 1996

"Today's passage of S.1541 by the U.S. Senate is a step in the right direction. I want to take this opportunity to express personally my appreciation to Majority Leader Dole, Minority Leader Daschle, Chairman Lugar, Ranking Member Leahy and Minority Whip Ford for all their hard work on this bill.

"S.1541 does not address all the concerns of the Clinton Administration. I remain concerned that the bill will continue to provide payments when market conditions are good and that it does not provide as strong a safety net for family farmers as we would like. However, the amendments adopted to the base bill are significant improvements and a good place to begin negotiations as the bill goes to conference.

"Throughout the process, the President and I have stressed certain priorities that must be met in the Farm Bill legislation, including: an adequate safety net for producers, meeting investment needs in rural America and permitting farmers greater flexibility to plant for the market rather than the government, a provision of the bill that we have consistently supported.

"We believe this bill begins to address those needs through the inclusion of the "Fund for Rural America," the continuation of permanent law and the funding for nutrition and conservation programs. The Senate bill also includes research, trade, rural development, and credit titles that were proposed by the Clinton Administration last year, and are critical to the competitiveness of U.S. agriculture in the international marketplace.

While today's action is a step in the right direction, the bill still does not fully address all of the Administration's concerns. I urge the House to take up the Farm Bill as soon as possible and make additional improvements, so we can get a final bill enacted and end the uncertainty for American agriculture."

#

1. Senator Dole urged that you indicate publicly that you will sign the farm bill when you are in Iowa. Is this your intention?

I welcome the progress made by the Senate on Wednesday in advancing the farm bill towards completion. Farmers desperately need to know the parameters of the farm program as soon as possible. The Senate made a number of positive changes in the bill--adding key conservation, nutrition, and rural development provisions although I still have concerns about the erosion of the farm safety net. It is too early in the legislative process to determine whether an acceptable bill will be adopted by the Congress. We look to additional improvements as the House considers this bill.

Congressional Republicans have accused the Clinton Administration of sitting out this farm bill, how do you respond?

The Administration cares deeply about the farm bill and has been actively engaged since last May when we made our recommendations. The first farm bill passed by the Congress was adopted as part of the larger budget Reconciliation bill. Unlike any previous Congress, no hearings on this farm bill have been held and a separate free standing farm bill has not been debated until this week. Therefore, there really has been no opportunity for any meaningful input into the farm policies. The Senate's action this week has provided the Administration its first real oppportunity to have a voice and input. Although the bill which has emerged is still far from perfect, it contains many improvements, reflecting Administration priorities.

Possible Farm Bill Questions
February 8, 1996

1. **In your opinion--what is the latest possible date that we can get a Farm Bill and still implement it this year?**

   Farmers will soon be out in their fields. Some are already having problems getting credit because bankers and input dealers want to know what kind of farm program to expect. For this reason, Secretary Glickman announced last month that he would begin implementing the 1949 Act by February 15 for rice and March 15 for wheat and feed grains if there were no legislation.

2. **What does your Administration want in a Farm Bill?**

   We feel that any legislation must preserve the farm "safety net" that ensures sufficient farm income in lean years when prices or yields are low. Environmental protection and conservation programs must be maintained and, if possible, enhanced. A vibrant rural economy must be supported, such as through the inclusion of Secretary Glickman's proposal for a "Fund for Rural America" that would finance rural development, agricultural research, and conservation programs. Lastly, we need some permanent legislation when the farm bill expires.

3. **How do you feel about the"Freedom to Farm" bill as originally proposed by Chairman Roberts?**

   I have concerns about the fact that the "Freedom to Farm" legislation sponsored by Chairman Roberts severs the link between payments and market prices. Large payments to farmers when prices are high are sure to draw criticism. If prices fall, payments would not rise as they do under current law. This damages the safety net that farm programs now provide in stabilizing farm income.

   The final farm bill passed by the Senate begins to address these concerns through the inclusion of the "fund for Rural America," the continuation of permanent law and the funding for nutrition and conservation programs. The Senate-passed bill is a good place to begin negotiations as the bill goes to conference.

4. **Most farm groups and many members of the media have endorsed "Freedom to Farm," if it's good enough for them, why not you?**

I still have concerns about the fact that the farm safety net is weakened. And my guess is that some of the media who have endorsed "Freedom to Farm" will be running scathing stories about farm subsidies if we have high prices next year and farmers are receiving large payments.

5. **What parts of the Senate/House bills are acceptable and unacceptable?**

Administration endorses the flexibility provisions of both bills. Increased flexibility means producers' planting decisions can better reflect market conditions. We support changes made in the Senate bill, particularly the conservation provisions and the creation of a Fund For Rural America. Unfortunately, the House has rejected similar amendments.

6. **Some have called the "Fund for Rural America" a slush fund -- is it?**

The Fund for Rural America would finance rural development programs, agricultural research, and conservation programs. I was pleased to see that the Senate approved an amendment on Wednesday to create such a fund.

7. **The dairy title seems to be getting a great deal of resistance, what's the Administration's position?**

The Administration has concerns about the effect of the House dairy title on the price of milk for consumers. We generally agree with the provisions to reform federal milk marketing orders. On the Senate side, we have expressed concerns with the so-called Northeast Dairy Compact.

8. **How will producers receive payments under the House and Senate bills?**

Under the House and Senate bills, producers would receive payments no later than September 30 of each fiscal year. At the option of the producer, 50 percent advance payments would be made on December 15 of each year.

Payment levels would depend on how many producers sign up. It is estimated that a wheat producer would receive an average of 70 cents a bushel on eligible "contract" production over 1996-2002. Corn producers would receive, on average, 40 cents a bushel over 1996-2002.

9. **Where does the Clinton Administration stand on marketing loans?**

The Administration believes that there must be a safety net for farms. Marketing loans can provide that safety net. Marketing loans should only help farmers when they need help--when prices are low. The Administration objects to the proposal to place cap loan rates.

10. **This is the first time since the Truman Administration that we have been without a Farm Bill this late in the game, do you blame the Republicans?**

The issue is not about blame. The issue is protecting values--maintaining an income safety net for farmers, protecting the environment, supporting a vibrant rural economy, strengthening agricultural exports, and assuring a nutritional safety net for all Americans.

11. **Factory hog farms are controversial in Iowa and across the country, what is your administration doing about it?**

Concentrated livestock production operations can pose huge environmental risks. They are subject to Federal environmental controls that are being vigorously enforced by the Environmental Protection Agency. This is on top of the limits that State and local governments are imposing on the location of new firms and the handling of waste from such operations.

We are also concerned that concentrated livestock production and marketing may disadvantage small family producers if unfair trading and contracting practices are used. USDA and the Department of Justice are constantly monitoring business behavior to protect against illegal practices. USDA is near completion of the congressionally mandated study of concentration in the meat industry, and will soon announce the establishment of an advisory committee to evaluate further the concentration issue.

12. **What is the future of the Conservation Reserve Program (CRP)?**

The CRP is a great success. It has reduced erosion, protected water quality, and provided wildlife habitat. The first CRP contracts are beginning to expire and it is vital that we reauthorize new enrollments of environmentally fragile land, otherwise the substantial gains of the last 10 years will be lost. Last month, USDA announced that holders of CRP contracts expiring on September 30, 1996 will be eligible to terminate their contracts early. Producers should have the opportunity to return this land to production given the current short supplies, high prices and strong export markets. The Administration seeks new enrollment authority to replace these acres with more environmentally sensitive land. A targeted CRP program focussing on lands that provide the greatest environmental payoff at an affordable cost is our goal.

13. **What is the Administration's position on ethanol?**

This Administration is ardent supporter of ethanol and is committed to maintaining the future growth of the ethanol industry. Since 1993, the ethanol industry has grown by 50 percent and USDA estimates that increasing ethanol production to 2 billion barrels by the year 2000 could create as many as 28,000 new jobs. In addition, ethanol production raises the average price of corn, supports farm income and reduces our dependence on foreign sources of fuel.

We are on record as strongly opposing any effort to reduce or repeal the alcohol fuels tax exemption. This includes support for the extension of the federal excise tax exemption for ethanol. If pending legislation eliminating ethanol's excise tax exemption is enacted, corn farm income could decrease in the neighborhood of $3 billion -- $626 million in Iowa.

14. **What is the Administration doing to address the shortage of railcars for shipping grain to market?**

The shortage of railcars for shipping grain to market has resulted in some grain being stockpiled outside, where it could suffer damage. The USDA has formed a railcar working group to develop long-term solutions to this problem and is working with grain producers, elevators, and railroads to coordinate responses to critical railcar shortages.

15. **Last April you held a rural conference in Ames, Iowa. What have you done to follow up?**

During the rural conference in Ames many particpants expressed the need for additional aid for rural America. The Clinton Administration worked hard to get a "Fund for Rural America added to the Senate's farm bill. The money will be used for research, conservation and to improve the infrastructure of rural America. Another concern was the need to raise farm income. The Clinton Administration is doing that by increasing agricultural exports, which ~~is~~ at a record high. We are also addressing the concerns over concentration in the livestock industry.

Corrected in final version

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250
(202) 720-3631

MEMORANDUM

Date: February 7, 1996

To: **Elizabeth Drye**

From: **Martha Phipps**

RE: **Information for speechwriters**

Farm Topics/Accomlishments/Popular Positions

1. Ethanol - see attached one pager

2. Flexibility - US farmers and producers should be given the flexibility they need to produce for the marketplace, not the government. Both the Clinton Administration and the Congress have agreed that flexibility provisions must be included in a final farm bill.

3. Exports -Exports of US agricultural products hit record levels in 1995 reaching $54.1 billion -- over $10 billion more than when Clinton took office. 1996 exports are expected to be even greater, reaching $58 billion. Agriculture is one of the only areas in which we have a positive US trade balance. Each dollar of exports in agriculture generates $2 of economic activity in the US. (Needs to be fact checked.) $2.40

4. Rural Development - The Clinton Administration has refused to let rural America be left behind. We insisted that rural development be adequately funded before we would sign the Agriculture Appropriations bill.

5. Prices for corn, soybeans and wheat are at record levels. Iowa soybean prices in January were at the highest level since 1989. Iowa is the largest soybean-procuding state in the US. The current corn market is the strongest in years, bolstered by robust demand and a sharp drop in production. High prices are expected to lead to a significant expansion in acreage in 1996. Corn is the biggest contributor to cash receipts in Iowa representing 26% of all agricultural cash receipts in 1994. Iowa is the most important corn producing state in the nation. Many of the pork producers and processors in Iowa have recognized the value of the export market. Over the last several years, pork exports have grown at a rapid pace, an increase of 116 percent. This explosion of pork exports turned the US from a net importer to a net exporter, something that has not occurred in 43 years.

Hot Topics

5. Fund for Rural America - American agriculture is a powerhouse today because of the investments we have made to make sure we are competitive. Our research dollars have produced the most efficient, economical, productive farming techniques. Our conservation dollars have preserved the productive capacity of our farms. Our rural development dollars have maintained the basic infrastructure needed in our rural towns. Investment in infrastructure helps the transition to a more market-oriented agriculture because it will ensure that farmers have the solid foundation they need to prosper and compete in the world.

6. Farmer Mac - background attached. We will get you more information tomorrow.

7. Farm Bill - see attached statement.

February 6, 1996

BRIEFING PAPER FOR IOWA TRIP

Ethanol

Background: Since 1993, the ethanol industry has grown by 50 percent and USDA estimates that increasing ethanol production to 2 billion barrels by the year 2000 could create as many as 28,000 new jobs. In addition, increasing ethanol production also raises the average price of corn (for every added 200 million bushels of corn that go to ethanol, corn prices may rise as much as 8 cents--increasing the income of corn producers by hundreds of millions of dollars). The reverse is also true. If ethanol production decreases, farm incomes fall while deficiency payments rise.

Senator Harkin has helped rally other Midwestern Senators on further expansion of the use of ethanol. He held hearings in the 103rd Congress to show the advantages of ethanol over other gasoline additives. Senator Harkin actually drank ethanol at one of these hearings--a true believer!

Administration Action: The Administration is committed to the continued growth and development of the U.S. ethanol industry. Therefore, we are on record as strongly opposing any effort to reduce or repeal the alcohol fuels tax exemption. If pending legislation eliminating ethanol's excise tax exemption (S. 1066) is enacted, corn farm income could decrease in the neighborhood of $3 billion--$626 million alone in Iowa.

Feb. 7. 1996 6:57PM USDA No. 2468 P. 2/7

NEWS

UNITED STATES DEPARTMENT OF AGRICULTURE
Office of Communications News Room 460-A
Washington, DC 20250-1300
Internet: News@usda.gov Phone: 202-720-9035
World Wide Web Home Page: http://www.usda.gov

Release No. 0058.96

Tom Amontree (202) 720-4623

Statement

by
Agriculture Secretary Dan Glickman
on Senate Approval of 1995 Farm Bill Legislation
February 7, 1996

"Today's passage of S.1541 by the U.S. Senate is a step in the right direction. I want to take this opportunity to express personally my appreciation to Majority Leader Dole, Minority Leader Daschle, Chairman Lugar, Ranking Member Leahy and Minority Whip Ford for all their hard work on this bill.

"S.1541 does not address all the concerns of the Clinton Administration. I remain concerned that the bill will continue to provide payments when market conditions are good and that it does not provide as strong a safety net for family farmers as we would like. However, the amendments adopted to the base bill are significant improvements and a good place to begin negotiations as the bill goes to conference.

"Throughout the process, the President and I have stressed certain priorities that must be met in the Farm Bill legislation, including: an adequate safety net for producers, meeting investment needs in rural America and permitting farmers greater flexibility to plant for the market rather than the government, a provision of the bill that we have consistently supported.

"We believe this bill begins to address those needs through the inclusion of the "Fund for Rural America," the continuation of permanent law and the funding for nutrition and conservation programs. The Senate bill also includes research, trade, rural development, and credit titles that were proposed by the Clinton Administration last year, and are critical to the competitiveness of U.S. agriculture in the international marketplace.

While today's action is a step in the right direction, the bill still does not fully address all of the Administration's concerns. I urge the House to take up the Farm Bill as soon as possible and make additional improvements, so we can get a final bill enacted and end the uncertainty for American agriculture."

#

Brief Background on H.R. 2029

There are two titles of H.R. 2029.

Title I relates to the agricultural mortgage secondary market or "Farmer Mac." Farmer Mac reform legislation will provide more long-term fixed rate credit available to farmers for farm mortgages. The legislation will provide a new credit delivery mechanism making it easier for farmers to obtain long-term fixed rate mortgages at more attractive interest rates.

Title II contains Farm Credit System regulatory relief provisions that are consistent with the National Performance Review. There are a number of regulatory burden requirements eased by the legislation. (1) The bill extends the timeframe from 12 to 18 months for examinations of farm credit system institutions, resulting in significant savings for the associations; (2) it provides authority for low-cost assistance to troubled banks in the Farm Credit System; and (3) it ensures that to be eligible for a farm credit loan at least 50 percent of the voting members of a cooperative must be farmers or producers.

Also, the bill make more funds available for farm and rural investment by providing a rebate of premiums to farm credit associations and banks once the secure base of its insurance fund is reached. It eliminates the establishment of another bureaucracy through a separate insurance corporation, thus streamlining the federal regulatory oversight of farm credit institutions.

In addition, H.R. 2029 extends the interest rate reduction program for farm ownership and operating guaranteed loans, thus making better credit available to farmers.

Closing

Should you require additional ifnormation, I would be pleased to assist. My telephone number is: (703) 883-4056 or 4235. My home number is: (703) 243-2995.

Thank you for considering this request.

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

December 1 2 1995

Honorable Wayne Allard
Chairman
House Agriculture Committee
Subcommittee on Resource Conservation,
Research, and Forestry
1300 Longworth House Office Building
Washington, D.C. 20515

Dear Wayne:

I am writing to express the Department of Agriculture's (USDA) views on the status of the Federal Agricultural Mortgage Corporation (Farmer Mac) and on H.R. 2130, the Farmer Mac Reform Act of 1995. I regret that USDA was not in a position to testify at the recent hearing before the House Agriculture Committee Resource Conservation, Research, and Forestry Subcommittee on this issue and hope that this letter is helpful to you when the House Agriculture Committee marks-up this important legislation.

Farmer Mac has obviously not been successful and is likely to fail if it is not reformed. The original goal of Farmer Mac remains valid today -- farmers and ranchers could benefit from greater use of fixed-rate, long-term credit during periods of highly variable upward interest rates. It is possible that a reformed Farmer Mac would improve the prospects of increasing the availability of fixed rate, long-term credit. This could result in significant economic benefit to American agriculture and the entire rural economy.

If Congress chooses to reform Farmer Mac, it must adequately protect American taxpayers from the risk that Farmer Mac would need to borrow from the Treasury in order to honor its obligations under guarantees which it has issued. We believe that it is possible to reform Farmer Mac in such a way that there is little risk to the taxpayers. Retaining a first-loss requirement could provide such protection. However, other adequate protection could include such measures as retaining the geographic and commodity diversity requirements in current law, providing a more limited extension of the time in which Farmer Mac must meet minimum capital adequacy standards, or increasing capital reserve requirements. The specific provisions in any final bill would obviously have to be evaluated carefully before making a formal determination regarding the sufficiency of such protection.

I hope this information is helpful and thank you for your leadership in addressing this important issue. A similar letter is being sent to Chairman Roberts and Congressmen de la Garza, Emerson, and Johnson.

Sincerely,

Dan Glickman

DAN GLICKMAN
Secretary

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

FEB 0 2 1996

Honorable Alice M. Rivlin
Director
Office of Management and Budget
Room 252, Old Executive Office Building
Washington, D.C. 20503

Dear Alice:

The Department of Agriculture wishes to make the following report on H.R. 2029, the "Farm Credit System Reform Act of 1996."

As Secretary of Agriculture, I recommend to the President that this bill be signed into law.

Title I of H.R. 2029 relates to the Federal Agricultural Mortgage Corporation which is known as "Farmer Mac." The function of this entity is to provide a secondary market for farm and rural housing loans. Under current law, Farmer Mac is authorized to guarantee securities formed by certified loan pooling institutions. This is a fairly limited role. Only in the case of farm loans guaranteed by the Department is Farmer Mac permitted to purchase, pool and securitize loans. H.R. 2029 would broaden Farmer Mac's authorities to purchase, pool, securitize and guarantee securities regardless of whether the loans are guaranteed by the Department. This would provide Farmer Mac a more pro-active role and it would allow private lenders better access to secondary markets. The Department believes these opportunities need not be limited to loans guaranteed under its programs. Access to the secondary markets through Farmer Mac should provide private agricultural lenders with more liquidity and increased business opportunities. Farmers and ranchers as well as rural homeowners should be able to benefit by having more capital available at more competitive interest rates.

Title II of H.R. 2029 contains a number of regulatory reforms that should provide more flexibility for the Farm Credit System to continue operating in an efficient manner. The Farm Credit System is an integral part of the institutional structure that provides operating and long-term financing for American agriculture. It has a long history of proven performance. The Department is generally supportive of regulatory reforms that will improve efficiency while protecting the public. Further, the Department understands that the Farm Credit System has worked with Congress in developing the reform measures in Title II.

Finally, we note that section 220 of Title II extends the interest rate reduction program through September 30, 2002. The authority for this program expired September 30, 1995. The program provides a modest subsidy on loans guaranteed by the Department. For fiscal year 1996, about $200 million in farm operating loans are expected to receive this subsidy, which would be of considerable benefit to those farmers and ranchers who are able to qualify for these loans.

This is a bill which the President should sign into law. It would help ensure that the Nation's farmers and ranchers are able to obtain an adequate supply of farm credit. It would provide Farmer Mac with more tools to create a secondary market which would benefit agricultural lenders as well as farmers and ranchers, and prospective rural homeowners. And, this bill would help the Farm Credit System achieve greater efficiency.

Sincerely,

Dan Glickman

DAN GLICKMAN
Secretary

REMARKS PREPARED FOR SECRETARY DAN GLICKMAN
MEDIA AVAILABILITY
WASHINGTON, DC--DECEMBER 20, 1995

PAST ACCOMPLISHMENTS/FUTURE PRIORITIES

- Under the Clinton Administration, USDA has implemented policies over the past year that have made things better for the American public.

- We've made significant progress in expanding economic opportunities, enhancing the healthful, safe, and affordable U.S. food supply, providing sensible management of our natural resources, and ensuring good government for the American taxpayer.

- We want to build on our successes in the year to come. The future is unclear given the uncertainty over the budget and farm bill. But we must be ready to quickly implement new legislation that may make fundamental changes in our programs.

EXPANDING ECONOMIC OPPORTUNITIES

Trade and Exports

- Exports of U.S. agricultural products hit record levels in 1995 reaching $54.1 billion -- over $10 billion more than when President Clinton took office. 1996 exports are expected to be even greater, reaching $58 billion.

Trade means jobs. U.S. agricultural exports generate more than $100 billion annually in business activity throughout the U.S. economy and provide jobs for nearly a million workers.

- To meet demands of the increasingly international agricultural economy, USDA is increasing its efforts to help market domestic products.

Since 1988, 3 California counties couldn't export peaches and nectarines to New Zealand -- a $45-million market -- because of possible walnut husk fly infestation. After ARS research verified that the walnut husk fly presented a minimal risk of infestation, shipments resumed this year.

- There are non-tariff barriers which need to come down, like those in the vital sanitary area that are keeping our products out. We will continue our efforts to open world markets.

The resolution of sanitary and phytosanitary trade issues led to the first commercial shipment of U.S. apples to Japan.

Rural America

- The Clinton Administration is committed to reinvigorating rural America. We're talking about meeting basic needs for jobs, housing, and clean drinking water.

- The Administration's Water 2000 initiative is bringing safe, affordable drinking water to the more than 400,000 rural homes without running water.

Mildred Grace is an 84-year-old woman who has lived in a small home in Villa Ridge, Illinois, for 50 years. Her only source of water is the rain water that falls on her roof and is channeled into an underground water tank. If there is no rain, she doesn't have water. She pays a local company to deliver clean drinking water. She rations her water carefully -- she doesn't use the dishwasher her kids gave her. Still, it cost her about $80 a month, nearly 30 percent of her income, to have decent water.

Last April, USDA awarded grants and loans to SouthWater, Inc., to expand the water system for Villa Ridge. This will provide clean and affordable drinking water for Mildred Grace.

- We remain committed to making progress on Water 2000 by ensuring that the most needy communities receive assistance.

- The Clinton Administration is committed to helping Americans own their own homes.

In 1995 the Rural Housing Service helped over 90,000 low and moderate income families and individuals to buy or rent housing. It is estimated that 23,000 jobs were created in construction and sale of these homes.

- The Administration has designated 30 rural enterprise communities and 3 rural empowerment zones have signed Memoranda of Understanding allowing federal funds to begin flowing into the communities.

Watsonville, California, developed a plan that won it a designation as an empowerment zone. In community meetings, youth unemployment emerged as a top concern and led to a job training program for youth and an after-school program.

In the Rio Grande Valley, EZ funds will be used to rebuild port facilities. Other funds have been targeted for business development.

- We want to establish an account in the Commodity Credit Corporation to fund high-priority projects in rural areas. The money would be available in good years when funding is not needed for farm subsidies for conservation and environment and research projects critical to keeping us competitive.

- The development of new uses for forest and farm products is another way to increase farm income.

Two ARS scientists (George Fanta and Ken Eskins) have found a way to blend corn and soybeans -- the Midwest's 2 main crops -- into a new fat substitute called Fantesk. Fantesk stays together even in microwaving and can be used as a fat substitute in foods traditionally high in fat, without sacrificing flavor. Companies in California and Georgia are already looking at several industrial uses for Fantesk.

HEALTHY, SAFE, AFFORDABLE FOOD SUPPLY

- Meat and poultry inspection remains a top priority for next year. USDA got together this year with industry and consumer groups on its proposal to require all meat and poultry slaughter and processing plants to implement Hazard Analysis and Critical Control Points (HACCP). The proposal will be finalized early in 1996.

- The School Meals Initiative for Healthy Children final rule was published in 1995 and USDA launched an aggressive educational campaign to improve meals served to children in 92,000 schools across the country. We will continue to work in these areas.

- We will also enter the new year with plans to meet the commitment to full funding for WIC. We hope to reach 7.5 million participants by the end of FY 1996.

- The first roundtable on gleaning and food rescue hosted by USDA brought representatives from the public and private sectors together to talk about food rescue for the hungry. Nothing can replace USDA's food and nutrition programs. But by working with the private sector, we can supplement federally funded programs during a time of tight budgets.

Much is already being done. USDA has donated surplus potatoes to the South Plains Food Bank of Lubbock, Texas, which are processed by the Breedlove Dehydration Plant for distribution to the needy. This year, the Department entered into a contract with World Hunger Year to develop a comprehensive database identifying all known organizations providing hunger and poverty related services, particularly those organizations supporting food recovery efforts. And USDA cafeterias have been donating prepared and perishable foods to the D.C. Central Kitchen, a nonprofit organization that feeds the needy, since 1992.

- USDA focused attention this year on the trend toward less competition in the marketplace.

Today, 4 companies control 82 percent of the beef industry. In many parts of the country, a cattle, hog or chicken producer may be locked into one market for his product without any competitive choice.

- We will continue to focus attention on concentration issues and will act to stop this lack of competition where it affects agriculture.

GOOD GOVERNMENT

- President Clinton's reorganization of USDA will save taxpayers time and money -- $4.1 billion by 1999. It will also cut paperwork, red tape and regulations.

We will cut or improve over 80 percent of the regulations we have on the books. We have eliminated more than 1700 pages and rewritten more than 1300 pages of federal code. In 1996, we plan to eliminate over 1500 pages and rewrite over 450.

USDA is working with the National Performance Review (NPR) on a pilot project to change government listings in the blue pages of public telephone directories. This may seem like a small thing, but making it easier to find us in the first place is certainly more customer friendly.

- This Administration has taken the most aggressive anti-fraud stand in the history of the food stamp program. Fighting fraud and reforming the program remain top priorities for 1996.

USDA launched a plan to aggressively fight food stamp fraud, including a 13-point anti-fraud legislative proposal and administrative actions such as Operation Checkout to remove unauthorized stores from the program through ongoing retailer "sweeps" in cities across the nation. More than 1400 stores across the country have been removed so far.

- Farmers participated in record numbers in risk management efforts under the new crop insurance program with nearly 80 percent of farm program acreage covered by either private crop insurance or the basic, catastrophic plan. A total of 2.5 million individual policies were in place for the 1995 crop, up from about 800,000 a year earlier. This year we paid over $1.5 billion to producers with significant crop losses.

- We recognized there were some glitches in our crop insurance reform, and over the last year we have introduced a number of changes to make the program more responsive and we will continue to do so.

SENSIBLE MANAGEMENT OF NATURAL RESOURCES

- In 1995, USDA completed the most successful soil erosion reduction program in the nation's history. More than two-thirds of the nation's most highly erodible land is now protected from excessive erosion. Annual erosion savings now exceed 1 billion tons a year.

ARS scientists came up with a 3-year crop rotation plan to help control soil erosion, crops diseases and weeds while maximizing profits and reducing risk.

Russ Zenner, who farms 2500 acres near Genesee, Idaho, converted 60 percent of his farm to that conservation tillage plan.

He reports that his winter wheat yields in the rotation system were at least as good, or better than, what he gets in other rotation systems on his farm.

His pea and lentil yields have improved, and he's actually surpassed the requirements for residue compliance on his farm.

- The most recent sign-up in the Conservation Reserve Program was directed toward enrolling only the most environmentally-sensitive land in the program. The popularity of the program was demonstrated when, in the 13th sign-up in September of 1995, more than two-and-one-half times as many acres were bid than could be accepted under the current rules.

- In a meeting with representatives of the Quincy Library Group in mid-November, USDA pledged a $4.7 million funding package to improve forest health and reduce fire risk on national forest lands in the QLG area. The pledge is in addition to the funding the forests anticipate receiving for these activities in FY '96. This community-based organization is concerned with the health and fire hazards of their surrounding national forests, and serves as an excellent example of a local community working with the Forest Service in making decisions about resource management and expanding economic opportunities.

IOWA FACT SHEET

POPULATION, EMPLOYMENT, AND INCOME

	State	Metro	Nonmetro
Population			
1980	2,913,808	1,198,226	1,715,582
1990	2,776,831	1,199,892	1,576,939
latest (1994)	2,829,252	1,245,728	1,583,524
Per-capita income			
1992	18,148	19,697	16,945
1993	18,275	20,322	16,673
Change	0.7%	3.2%	-1.6%
Earnings per job			
1992	21,308	23,858	18,996
1993	21,083	24,418	18,035
Change	-1.1%	2.3%	-5.1%
Poverty rate			
1980	10.1	8.9	11.0
1990	11.5	11.1	11.8
latest (1992)	11.3	N/A	N/A

	State	Metro	Nonmetro
Total Employment			
1992	1,666,313	792,366	873,947
1993	1,691,607	807,804	883,803
Unemployment Rate			
1993	4.0	3.8	4.2
1994	3.7	3.4	4.0
Percent employment change			
1991-92	2.3	2.8	1.9
1992-93	3.8	4.9	2.8
1993-94	1.3	0.8	1.8
Percent of 1992 employment in farm and farm-related jobs:	24.7	18.0	31.0
Production	8.3	2.4	13.8
Farm inputs	1.8	1.3	2.3
Proc.&mark.	4.0	3.1	4.8
Whol.&retail	10.1	10.7	9.6

FARM CHARACTERISTICS

1992 Census of Agriculture

TOTAL LAND AREA (million acres)	35.8
TOTAL FARMLAND (million acres)	31.3
of total land area	87.7%
CROPLAND (million acres)	27.2
of total farmland	86.8%
Irrigated	0.4%
In pasture	8.1%
In Fed. farm program	2.3%
In Conservation Reserve	4.8%
WOODLAND (million acres)	1.3
of total farmland	4.0%
In pasture	55.6%
PASTURELAND (million acres)	1.5
of total farmland	4.7%
OTHER LAND (million acres)	1.4
of total farmland	4.6%
AVERAGE FARM SIZE (acres)	325.0

Farms by Size	
1 to 99 acres	27.4%
100 to 499 acres	51.3%
500 to 999 acres	16.4%
1,000 to 1,999 acres	4.4%
2,000 or more acres	0.5%

Farms by Sales	
Less than $50,000	49.8%
$50,000 to $99,999	18.2%
$100,000 to $499,999	29.6%
More than $500,000	2.4%

Tenure of Farmers	
Full owner (farms)	43,541
Percent of total	45.1%
Part owner (farms)	34,720
Percent of total	36.0%
Tenant (farms)	18,282
Percent of total	18.9%

Farm Organization	
Individuals/family corporations (farms)	85,679
Percent of total	88.8%
Partnerships (farms)	10,028
Percent of total	10.4%
Non-family corporations (farms)	372
Percent of total	0.4%
Others (farms)	464
Percent of total	0.5%

Average Operator Age (yrs.)	50.3
Percent with farming as principal occupation	69.3%

IOWA FACT SHEET

FARM FINANCIAL INDICATORS

Call 202-219-1107 for FAX number 45516 As of 14-Dec-95

Farm Income and Balance Sheet Statement

Year	1993	1994
Number of farms	102,000	101,000
	Million $	
Gross farm income	10,618.4	13,116.1
Gross cash income	12,015.5	11,152.7
Farm marketings	10,389.7	10,084.3
Crops	4,605.7	4,964.4
Livestock	5,784.0	5,119.9
Government payments	1,229.5	732.6
Farm-related income	396.3	335.8
Noncash income	307.8	317.6
Inventory adjustment	(1,704.9)	1,645.8
Total production expenses	9,988.6	10,322.8
NET FARM INCOME	629.9	2,793.3
Gross cash income	12,015.5	11,152.7
Cash expenses	8,861.0	9,173.3
NET CASH INCOME	3,154.5	1,979.4
Farm assets	54,999.8	55,586.7
Real estate	40,376.5	41,005.9
Nonreal estate	14,623.3	14,580.7
Farm debt	10,368.6	10,816.8
Real estate	5,757.5	6,064.6
Nonreal estate	4,611.1	4,752.2
EQUITY	44,631.2	44,769.9
	RATIOS	
Debt/equity	23.2	24.2
Debt/assets	18.9	19.5

Top 5 Agricultural Commodities, 1994

Commodity	Percent of State's Total Receipts	Percent of U.S. Total Value
1. Corn	26.1	17.5
2. Hogs	25.4	28.0
3. Soybean	21.0	15.8
4. Cattle and calves	17.2	4.7
5. Dairy products	4.9	2.5
All Commodities		5.6

Top 5 Agricultural Exports, estimates, 1994

Commodity	Rank Among States	Value
		Mil. dol.
1. Soybeans & prods.	2	776.0
2. Feed grains & prods.	3	761.3
3. Live animals, meat, & prods.	4	367.9
4. Feeds & fodders	5	107.5
5. Hides & skins	5	80.3
Overall	5	2,351.7

Top 5 Counties in Agricultural Sales, 1992

	Percent of State's Total Receipts	Mil. dol.
1. SIOUX	4.18%	422.04
2. PLYMOUTH	2.19%	221.19
3. CARROLL	1.94%	196.00
4. KOSSUTH	1.88%	190.12
5. DUBUQUE	1.83%	184.89
State Total		10,099.79

Data Sources:

- Local Area Unemployment Statistics, county data, Bureau of Labor Statistics.
- Regional Economic Information System, May 1995, Bureau of Economic Analysis, U.S. Department of Commerce.
- 1990 Census of Population, Bureau of the Census, U.S. Department of Commerce.
- Economic Indicators of the Farm Sector: State Financial Summary, Economic Research Service, USDA.
- Foreign Agriculture Trade of the United States (FATUS), March/April 1995, Economic Research Service, USDA.

Contact People:	Tom Carlin	Tim Parker
Phone Number:	202-219-0520	202-219-0541
E-Mail Address:	TCarlin@ECON.AG.GOV	TParker@ECON.AG.GOV

For Electronic File of data, send e-mail to: USTSERV@ERS.BITNET

In the body of the note, type this command on a single line: GET IA DATA

Or, if you would like to get our README file, type this command: GET README STATEFAC

Or, to obtain the data from our new world wide web server, point your web browser to: HTTP://WWW.ECON.AG.GOV/

Prepared by:

ECONOMIC RESEARCH SERVICE, USDA, Washington, DC

February 7, 1996

BRIEFING PAPER FOR IOWA TRIP

Corn in Iowa

Corn is the most important contributor to cash receipts in Iowa representing, 26 percent of all agricultural cash receipts in 1994. Iowa is the most important corn producing state in the nation, contributing 17 percent of the value of U.S. corn production in 1994.

Despite the generally tight outlook nationally, there have been reports that corn remains on the ground in areas of the western Corn Belt. This apparently reflects problems in rail transportation, as agricultural users face sharp competition from other sectors. There have also been problems associated with recent mergers and consolidation of the rail industry.

Nationally, The current corn market is the strongest in years, bolstered by robust demand and a sharp drop in production. Demand has been strong from domestic and international corn users and ending stocks are projected to fall very low in 1995/96. High prices are expected to lead to a significant expansion in acreage in 1996.

U.S. corn production in 1995 was 7.37 billion bushels, down 27 percent from the record 1994 crop. Average U.S. yields fell 25 bushels per acre (18 percent) to 113.5 bushels. Corn production in Iowa mirrored this decline, falling 27 percent to 1.4 billion bushels. The drop in Iowa's 1995 corn crop reflected lower acreage after a very wet spring and lower yields. Iowa corn yields fell 18 percent to 123 bushels per acre, still one of the highest of any major corn growing state.

The average price of corn received by U.S. farmers in January hit $3.21 per bushel (preliminary), the highest price since July 1984. In Iowa, the preliminary January price hit $3.10 per bushel.

U.S. Exports of Corn

World trade in corn in 1995/96 is expected to fall significantly from 1994/95 levels. In 1994/95, the United States, with its record harvest, registered the fourth-largest export level ever. Tight supplies will cut availabilities for use in the United States and will also limit our ability to meet foreign demand for U.S. corn.

- Limited availabilities from competitors will likely result in reduced world corn trade next year.

- China, the only major competition for U.S. corn exports in the early 1990s, banned exports in late 1994 as internal prices rose above world market levels. China's departure from the world corn market as a significant exporter, and its re-emergence as an importer of more than 4 million tons helped increase U.S. export opportunities in Asia in 1994/95. Such opportunities are expected to continue in 1995/96 as China is not expected to export more than 1 million tons, whereas Asian import demand (excluding China) is expected to reach near-record levels in 1995/96.

U.S. Corn Export Commitments Up Since January:

Since the January USDA export estimate for U.S. corn exports, nearly 4.7 million additional tons has been added to our level of export commitments. The United States has, for the past six months, been the only real player in the corn export market, especially now that China seems to be unable to meet growing internal needs and maintain a major export program. But a short U.S. crop in 1996 will limit our ability to fully capitalize on the position.

- Importers in Asia, with strong economies and growing livestock sectors, are moving at a record pace to secure needed feed supplies. U.S. corn will meet the bulk of their needs, but purchases of feed quality wheat and rye from the European Union are already moving into the region.

Tight Supplies Restrict World Coarse Grain Trade:

Global trade of coarse grains during 1995/96 is forecast at 87.8 million tons, below the 95.8 million ton level of 1994/95. Tight supplies in most exporter countries are still expected to limit availabilities for export, though import demand is still projected to be strong.

- Foreign stock levels are forecast to continue their multi-year slide.

- U.S. stocks, rebuilt somewhat from last year's record corn crop, are also forecast to drop sharply. World stock levels at the end of the 1995/96 season are forecast to drop about 48 million tons to roughly 86 million tons--the lowest level since 1973/74.

- The global stocks-to-use ratio is forecast to fall to 10.3 percent, the lowest level on record.

February 6, 1996

BRIEFING PAPER FOR IOWA TRIP

Soybeans in Iowa

In 1995, Iowa was the largest soybean-producing state (398 million bushels) in the largest soybean producing and exporting country of the world, the United States. Soybeans are the third-largest contributor to cash receipts in Iowa, responsible for 21 percent of 1994's cash receipts. Producers will likely be concerned with the flexibility provisions of the farm bill and early-out provisions of the CRP program.

Iowa soybean prices in January were at the highest level since 1989. A hot summer and shortened growing season in 1995 depressed soybean yields. Soybean yields in the state are down about 15 percent from last year's record levels. This is about the same as the decline in yields nationwide. Iowa soybean production is down 10 percent, slightly lower than the national decline of 14 percent.

Demand for soybeans remains high, despite high grain prices. U.S. livestock production continues to expand, which has resulted in strong demand for soybeans. Weather problems and credit difficulties for South American soybean producers could curtail competing supplies, while robust foreign demand, especially from Asia, is straining supplies.

U.S. Exports of Soybeans

In 1994/95, nearly one-third of the 2.5 billion bushels of soybeans produced in the United States were exported. The value of U.S. soybean exports in 1994/95 was nearly $5.3 billion. More importantly, the United States' position as a net-soybean exporter provides more than $5 billion dollars to the U.S. balance of trade. Therefore, it is important to maintain and expand world markets for U.S. soybeans and their products.

USDA is focusing on three main issues to ensure that foreign markets for U.S. soybeans and products remain open. First, China's accession to the World Trade Organization is of considerable importance to U.S. soybean growers as China's economy continues to grow. Second, we are working to ensure that our trading partners do not restrict the trade of agricultural products, including soybeans, produced through biotechnology. Biotechnology represents the new frontier in agricultural production, of which the United States is in the forefront. We want to ensure that reviews of genetically modified products by other countries are fair, timely, and science-based. Finally, we continue to monitor the commitments made by our trading partners in the Uruguay Round, such as the Blair House Agreement.

The major growth markets for soybeans and products lie abroad. USDA administers several programs which help to establish, maintain, and expand our position overseas. In FY96, the Foreign Agricultural Service (FAS) has made available about $7.8 million to the U.S. soybean industry which, when combined with the $11 million generated by producer check-off funds, will promote U.S. exports of soybeans and products to over 60 countries in the world. These activities are critical to maintaining and expanding our markets in the European Union, Japan, China, Southeast Asia, and Mexico.

In FY96, FAS has allocated about $7.8 million to the American Soybean Association to promote exports of soybeans and products in over 60 countries, through the Market Promotion Program (MPP). This program is critical in maintaining and expanding our markets in the European Union, Japan, China, southeast Asia, and Mexico. FAS also works closely with the United Soybean Board (USB) to build new export markets. In FY96, USB has earmarked about $11 million in grower check-off funds to boost exports of U.S. soybeans.

February 6, 1996

BRIEFING PAPER FOR IOWA TRIP

U.S. Beef Exports Expected to Rise in 1996

U.S. beef exports are expanding, as a result of increased production, competitive prices and strong demand for higher-quality beef in foreign markets.

- The United States currently exports about 7 percent of its beef production, up from just over 4 percent in 1990.

- For all of 1995, beef exports are expected to total a record 839,000 tons (or about $2.6 billion), up about 15 percent from 1994. This growth is expected to continue in 1996, with exports increasing nearly 15 percent to 962,000 tons.

- Current USDA forecasts point to the United States becoming a net exporter of beef (volume basis) for the first time in 1996.

Beef Exports to Japan and Korea Up Sharply

East Asia is the primary market for U.S. beef, accounting for roughly 75 percent of U.S. shipments in the first 10 months of 1995. These markets continue to grow quickly.

- Beef exports to Japan, the largest export destination for U.S. beef, grew nearly 19 percent from January to October 1995, compared to the same period a year ago. During this time, the U.S. share of the Japanese beef import market grew from 41 percent to 44 percent, compared to the same period in 1994.

- In Japan, import tariff reductions, increasing beef demand, and reduced fed-beef supplies in Australia are expected to boost purchases of U.S. product this year.

- The gradual privatization of Korea's system to import beef has favored U.S. product. U.S. exports to Korea grew 52 percent from January to October 1995, compared to the same period a year ago.

- Further liberalization of Korea's import system for beef, strong domestic beef demand, and reduced competition from Australia are expected to foster additional export growth this year.

February 6, 1996

BRIEFING PAPER FOR IOWA TRIP

<u>United States Becomes a Net-Exporter of Pork for the First Time in 43 Years</u>

Many of the pork producers and processors in Iowa have recognized the value and importance of the export market. Over the last several years, pork exports have grown at a rapid pace from 82,187 metric tons in 1990 to 177,313 metric tons in 1994, an increase of 116 percent.

- Through October 1995, CY95 exports had already exceeded the CY94 total by 47,086 metric tons, with total CY95 exports expected to reach a record 261,000 metric tons.

- This explosion of pork exports turned the United States from a net importer to a net exporter, something that has not occurred in 43 years.

- Presently, U.S. pork exports account for only 4 percent of total production.

- Approximately 50 percent of all pork exported is shipped to Japan, followed by Russia (18 percent), Mexico, (8 percent), Canada (6 percent), and Korea (5 percent). In early 1995, exports to Russia were aided by subsidized sales, leading to a continuation of sales on a strictly commercial basis since last April. The increase in pork exports to Korea was aided by the successful conclusion of negotiations on shelf-life requirements.

FARM BILL UPDATE:

For press interviews/ briefing book 2/7

Two-to-one, the Senate today passed S. 1541, the farm bi[illegible] gely along party lines with the following Democratic Senators [illegible] ca, Baucus, Biden, Boxer, Feinstein, Ford, Graham, Heflin, In[illegible] Lieberman, Mosley-Braun, Nunn, Pell, Robb, Simon, and [illegible]

None of the amendments adopted fundamentally changed its defining features, which remain virtually identical to the agriculture provisions of the vetoed budget reconciliation bill. Over its seven years, the legislation guarantees fixed payments to wheat, feed grains, cotton, and rice farmers, undoing the countercyclical nature of current farm programs. The legislation frees farmers to plant whatever they wish by ending land-idling and historic practices requirements; although this provision is somewhat more expansive than what the Administration proposed, it is not objectionable .

Major amendments Senators approved that address priorities of the Administration include:

–the Ford amendment establishes the Fund for Rural America, providing $50 million in FY96, $100 million in FY97, and for FY98, $150 million for research and rural development;

–the Leahy en bloc amendment reauthorizes nutrition and conservation programs; permits new acreage into the Conservation Reserve Program; strikes the bill's ban on using permanent easements under the Wetlands Reserve Program; establishes a new program to control livestock-related environmental problems, the Enivironmental Quality Incentive Program (EQUIP), and provides $200 million for Everglades restoration;

–an amendment to retain permanent law, which the introduced bill repealed; and

–a Lugar en bloc amendment that, among many things, increases the price support for oilseeds to 85% of the average market price of the preceeding 5 years and includes research, trade, credit, and rural development titles consisting largely of Administration farm bill recommendations and passed by the Committee last year.

Other adopted amendments of note include:

–the Wellstone amendment striking the Northeast Dairy Compact;

–the Brown amendment restricting the ability of the Forest Service to obtain water rights in certain circumstances;

–the Bryan-Bumpers amendment restricting the Market Promotion Program to small businesses and prohibiting brand name promotions; and

-the Graham amendment addressing assorted Florida-related crop insurance concerns.

48 to 48, the Senate rejected the Dorgan amendment which would have required farmers to plant to earn payments under the bill and 33 to 63, rejected the Daschle substitute.

Feb. 7. 1996 6:57PM USDA No. 2468 P. 2/7

NEWS

UNITED STATES DEPARTMENT OF AGRICULTURE
Office of Communications News Room 460-A
Washington, DC 20250-1300
Internet: News@usda.gov Phone: 202-720-9035
World Wide Web Home Page: http://www.usda.gov

Release No. 0058.96

Tom Amontree (202) 720-4623

Statement

by
Agriculture Secretary Dan Glickman
on Senate Approval of 1995 Farm Bill Legislation
February 7, 1996

"Today's passage of S.1541 by the U.S. Senate is a step in the right direction. I want to take this opportunity to express personally my appreciation to Majority Leader Dole, Minority Leader Daschle, Chairman Lugar, Ranking Member Leahy and Minority Whip Ford for all their hard work on this bill.

"S.1541 does not address all the concerns of the Clinton Administration. I remain concerned that the bill will continue to provide payments when market conditions are good and that it does not provide as strong a safety net for family farmers as we would like. However, the amendments adopted to the base bill are significant improvements and a good place to begin negotiations as the bill goes to conference.

"Throughout the process, the President and I have stressed certain priorities that must be met in the Farm Bill legislation, including: an adequate safety net for producers, meeting investment needs in rural America and permitting farmers greater flexibility to plant for the market rather than the government, a provision of the bill that we have consistently supported.

"We believe this bill begins to address those needs through the inclusion of the "Fund for Rural America," the continuation of permanent law and the funding for nutrition and conservation programs. The Senate bill also includes research, trade, rural development, and credit titles that were proposed by the Clinton Administration last year, and are critical to the competitiveness of U.S. agriculture in the international marketplace.

While today's action is a step in the right direction, the bill still does not fully address all of the Administration's concerns. I urge the House to take up the Farm Bill as soon as possible and make additional improvements, so we can get a final bill enacted and end the uncertainty for American agriculture."

#

1. Senator Dole urged that you indicate publicly that you will sign the farm bill when you are in Iowa. Is this your intention?

I welcome the progress made by the Senate on Wednesday in advancing the farm bill towards completion. Farmers desperately need to know the parameters of the farm program as soon as possible. The Senate made a number of positive changes in the bill--adding key conservation, nutrition, and rural development provisions although I still have concerns about the erosion of the farm safety net. It is too early in the legislative process to determine whether an acceptable bill will be adopted by the Congress. We look to additional improvements as the House considers this bill.

Congressional Republicans have accused the Clinton Administration of sitting out this farm bill, how do you respond?

The Administration cares deeply about the farm bill and has been actively engaged since last May when we made our recommendations. The first farm bill passed by the Congress was adopted as part of the larger budget Reconciliation bill. Unlike any previous Congress, no hearings on this farm bill have been held and a separate free standing farm bill has not been debated until this week. Therefore, there really has been no opportunity for any meaningful input into the farm policies. The Senate's action this week has provided the Administration its first real oppportunity to have a voice and input. Although the bill which has emerged is still far from perfect, it contains many improvements, reflecting Administration priorities.

Possible Farm Bill Questions
February 8, 1996

1. **In your opinion--what is the latest possible date that we can get a Farm Bill and still implement it this year?**

   Farmers will soon be out in their fields. Some are already having problems getting credit because bankers and input dealers want to know what kind of farm program to expect. For this reason, Secretary Glickman announced last month that he would begin implementing the 1949 Act by February 15 for rice and March 15 for wheat and feed grains if there were no legislation.

2. **What does your Administration want in a Farm Bill?**

   We feel that any legislation must preserve the farm "safety net" that ensures sufficient farm income in lean years when prices or yields are low. Environmental protection and conservation programs must be maintained and, if possible, enhanced. A vibrant rural economy must be supported, such as through the inclusion of Secretary Glickman's proposal for a "Fund for Rural America" that would finance rural development, agricultural research, and conservation programs. Lastly, we need some permanent legislation when the farm bill expires.

3. **How do you feel about the "Freedom to Farm" bill as originally proposed by Chairman Roberts?**

   I have concerns about the fact that the "Freedom to Farm" legislation sponsored by Chairman Roberts severs the link between payments and market prices. Large payments to farmers when prices are high are sure to draw criticism. If prices fall, payments would not rise as they do under current law. This damages the safety net that farm programs now provide in stabilizing farm income.

   The final farm bill passed by the Senate begins to address these concerns through the inclusion of the "fund for Rural America," the continuation of permanent law and the funding for nutrition and conservation programs. The Senate-passed bill is a good place to begin negotiations as the bill goes to conference.

4. **Most farm groups and many members of the media have endorsed "Freedom to Farm," if it's good enough for them, why not you?**

I still have concerns about the fact that the farm safety net is weakened. And my guess is that some of the media who have endorsed "Freedom to Farm" will be running scathing stories about farm subsidies if we have high prices next year and farmers are receiving large payments.

5. **What parts of the Senate/House bills are acceptable and unacceptable?**

Administration endorses the flexibility provisions of both bills. Increased flexibility means producers' planting decisions can better reflect market conditions. We support changes made in the Senate bill, particularly the conservation provisions and the creation of a Fund For Rural America. Unfortunately, the House has rejected similar amendments.

6. **Some have called the "Fund for Rural America" a slush fund -- is it?**

The Fund for Rural America would finance rural development programs, agricultural research, and conservation programs. I was pleased to see that the Senate approved an amendment on Wednesday to create such a fund.

7. **The dairy title seems to be getting a great deal of resistance, what's the Administration's position?**

The Administration has concerns about the effect of the House dairy title on the price of milk for consumers. We generally agree with the provisions to reform federal milk marketing orders. On the Senate side, we have expressed concerns with the so-called Northeast Dairy Compact.

8. **How will producers receive payments under the House and Senate bills?**

Under the House and Senate bills, producers would receive payments no later than September 30 of each fiscal year. At the option of the producer, 50 percent advance payments would be made on December 15 of each year.

Payment levels would depend on how many producers sign up. It is estimated that a wheat producer would receive an average of 70 cents a bushel on eligible "contract" production over 1996-2002. Corn producers would receive, on average, 40 cents a bushel over 1996-2002.

9. **Where does the Clinton Administration stand on marketing loans?**

The Administration believes that there must be a safety net for farms. Marketing loans can provide that safety net. Marketing loans should only help farmers when they need help--when prices are low. The Administration objects to the proposal to place cap loan rates.

10. **This is the first time since the Truman Administration that we have been without a Farm Bill this late in the game, do you blame the Republicans?**

The issue is not about blame. The issue is protecting values--maintaining an income safety net for farmers, protecting the environment, supporting a vibrant rural economy, strengthening agricultural exports, and assuring a nutritional safety net for all Americans.

11. **Factory hog farms are controversial in Iowa and across the country, what is your administration doing about it?**

Concentrated livestock production operations can pose huge environmental risks. They are subject to Federal environmental controls that are being vigorously enforced by the Environmental Protection Agency. This is on top of the limits that State and local governments are imposing on the location of new firms and the handling of waste from such operations.

We are also concerned that concentrated livestock production and marketing may disadvantage small family producers if unfair trading and contracting practices are used. USDA and the Department of Justice are constantly monitoring business behavior to protect against illegal practices. USDA is near completion of the congressionally mandated study of concentration in the meat industry, and will soon announce the establishment of an advisory committee to evaluate further the concentration issue.

12. **What is the future of the Conservation Reserve Program (CRP)?**

The CRP is a great success. It has reduced erosion, protected water quality, and provided wildlife habitat. The first CRP contracts are beginning to expire and it is vital that we reauthorize new enrollments of environmentally fragile land, otherwise the substantial gains of the last 10 years will be lost. Last month, USDA announced that holders of CRP contracts expiring on September 30, 1996 will be eligible to terminate their contracts early. Producers should have the opportunity to return this land to production given the current short supplies, high prices and strong export markets. The Administration seeks new enrollment authority to replace these acres with more environmentally sensitive land. A targeted CRP program focussing on lands that provide the greatest environmental payoff at an affordable cost is our goal.

13. **What is the Administration's position on ethanol?**

This Administration is ardent supporter of ethanol and is committed to maintaining the future growth of the ethanol industry. Since 1993, the ethanol industry has grown by 50 percent and USDA estimates that increasing ethanol production to 2 billion barrels by the year 2000 could create as many as 28,000 new jobs. In addition, ethanol production raises the average price of corn, supports farm income and reduces our dependence on foreign sources of fuel.

We are on record as strongly opposing any effort to reduce or repeal the alcohol fuels tax exemption. This includes support for the extension of the federal excise tax exemption for ethanol. If pending legislation eliminating ethanol's excise tax exemption is enacted, corn farm income could decrease in the neighborhood of $3 billion -- $626 million in Iowa.

14. **What is the Administration doing to address the shortage of railcars for shipping grain to market?**

The shortage of railcars for shipping grain to market has resulted in some grain being stockpiled outside, where it could suffer damage. The USDA has formed a railcar working group to develop long-term solutions to this problem and is working with grain producers, elevators, and railroads to coordinate responses to critical railcar shortages.

15. **Last April you held a rural conference in Ames, Iowa. What have you done to follow up?**

During the rural conference in Ames many particpants expressed the need for additional aid for rural America. The Clinton Administration worked hard to get a "Fund for Rural America added to the Senate's farm bill. The money will be used for research, conservation and to improve the infrastructure of rural America. Another concern was the need to raise farm income. The Clinton Administration is doing that by increasing agricultural exports, which is at a record high. We are also addressing the concerns over concentration in the livestock industry.

Corrected in final version

February 9, 1996

BRIEFING PAPER FOR IOWA TRIP

Ethanol

Background: Since 1993, the ethanol industry has grown by 50 percent and USDA estimates that increasing ethanol production to two billion barrels by the year 2000 could create as many as 28,000 new jobs. In addition, increasing ethanol production also raises the average price of corn (for every added 200 million bushels of corn that go to ethanol, corn prices may rise as much as eight cents -- increasing the income of corn producers by hundreds of millions of dollars). The reverse is also true. If ethanol production decreases, farm incomes fall while deficiency payments rise.

Senator Harkin has helped rally other Midwestern Senators on further expansion of the use of ethanol. He held hearings in the 103rd Congress to show the advantages of ethanol over other gasoline additives. Senator Harkin actually drank ethanol at one of these hearings -- a true believer!

Last year the House Ways and Means Committee passed provisions to eliminate the ethanol tax exemptions. Representative Nussle originally supported the provisions, and was subject to much criticism for this support from other members of the Iowa delegation. He subsequently met with Speaker Gingrich to urge the removel of those provisions from the House budget proposal.

The Clinton Administration issued a letter strongly opposing the elimination of the ethanol tax exemption and stated its commitment to the future growth of the ethanol industry. The provision were ultimately removed from the budget proposal.

The state of Iowa has a 1 cent per gallon ethanol incentive.

There are five plants in Iowa that produce a total of 423 million gallons of ethanol each year.

Archer Daniels Midland	Cedar Rapids	200,000,000
Archer Daniels Midland	Clinton	160,000,000
Cargill, Inc.	Eddyville	35,000,000
The Hubinger Co.	Keokik	18,000,000
Grain Processing Corporation	Muscatine	10,000,000

Administration Action: The Administration is committed to the continued growth and development of the U.S. ethanol industry. Secretary Glickman and Administrator Browner have both testified before the Senate Agriculture Committee on ethanol. We are on record as strongly opposing any effort to reduce or repeal the alcohol fuels tax exemption. If pending legislation eliminating ethanol's excise tax exemption (S.1066) is enacted, corn farm income could decrease in the neighborhood of $3 billion - $450 - 600 million alone in Iowa.

February 6, 1996

BRIEFING PAPER FOR IOWA TRIP

Export Embargo

Background: Currently, there are record tight world and domestic grain supplies, and the markets have responded with extremely high prices. In recent weeks, there have been rumors that the Administration is considering an export embargo and/or an export tax to ensure that adequate domestic grain supplies are maintained. These rumors have caused substantial drops in the markets and are the subject of considerable interest and concern among the agricultural community, including the media and Congress.

There is no truth to the rumors, which Dr. Tyson and Secretary Glickman have repeatedly denied. The Administration is categorically not considering an export embargo or an export tax. USDA reports indicate that there are adequate domestic supplies and that there will be a small effect, if any, on the CPI as a result of increased grain prices.

Administration Action: Given the high-level of interest in this issue and its controversial nature, it would be extremely helpful if, while in Iowa, you could reiterate the fact that the Administration is not and will not consider an export embargo or an export tax.

Secretary Glickman recently announced that USDA will provide "early outs" for certain producers who have nonenvironmentally-sensitive land enrolled in the Conservation Reserve Program (CRP), which would bring more land into production, thereby helping to address the concerns in this policy area.

February 7, 1996

BRIEFING PAPER FOR IOWA TRIP

Concentration Issues

Vertical Integration: Vertical integration generally refers to any number of arrangements whereby packers and/or processors contract with producers, frequently larger producers, to obtain livestock rather than purchasing such livestock on the open market. Many are concerned about the impact such arrangements have on the continued existence of an open market for independent producers, i.e., that vertical arrangements with large hog operations results in a captive supply for packers/processors.

Corporate Concentration: Four firms control between 80 percent and 90 percent of the meatpacking market for red meat. Plants which slaughter hogs are not as heavily concentrated. Agricultural producers are concerned that this increased concentration results in lower livestock prices by reducing competition in the marketplace and leads to unfair trade practices against small producers.

Large Hog Operations: The growth of large hog operations is one of the most divisive issues in many parts of rural America, including Iowa. The Southeastern United States has greatly increased its share of U.S. hog production, primarily as a result of large operations, which have now been appearing in the Midwest over the past several years. State and local laws are determinant of whether such operations are built, including environmental regulation. Secretary Glickman has said that he is concerned about the ability of small- and mid-sized producers to compete as well as indicated concern about environmental harm from these large operations.

Railroad: There has been a great deal of concern in Iowa and other parts of the Midwest this past fall regarding the shortage of railcars for shipping grain to market. Grain has been stockpiled outside, where it could suffer weather damage. A recent USDA report documented that railcar shortages adversely affect the prices farmers receive as well as U.S. competitiveness in world markets. Related to railcar shortages is increased concern regarding railroad mergers and the elimination of the Interstate Commerce Commission.

Administration Action

Secretary Glickman's Committee on Concentration will examine vertical integration issues as part of its mandate and recommend specific steps that the Administration should take to address the policy concerns in this area.

Secretary Glickman will soon release a Congressionally-mandated report analyzing the effect, if any, that increased concentration in the red meat packing industry has on competition and agricultural producers. He is also preparing to announce the establishment of an advisory committee later this month to evaluate the concentration report as well as other issues relative to concentration and vertical integration. Senator Daschle has authored legislation, which has been approved by the Senate, to establish a Presidential Commission to review the concentration issue. Senator Harkin is a cosponsor of the bill and Secretary Glickman has endorsed this legislation. However, because the House Agriculture Committee has not taken action on the House version of this legislation, Secretary Glickman is prepared to act under existing authority to establish an advisory committee on concentration issues. Specifically, this committee is expected to perform the review required by the legislation as well as evaluate other issues, such as USDA enforcement of the Packers and Stockyards Act to protect against unfair trade practices, the role, if any, that USDA's loan and research programs play in encouraging or discouraging concentration, environmental issues, railroad concentration and railcar shortages, and issues surrounding vertical integration.

In addition, USDA has filed an administrative enforcement action against IBP Inc., which is the largest meat packer, alleging that certain fact-specific contracting arrangements constitute unfair trade practices under the Packers and Stockyards Act (PSA). The case, which is currently in the administrative adjudication process, has important implications for USDA's enforcement capabilities under the PSA.

Assistance to abate water pollution resulting from animal agriculture is provided through four USDA cost-sharing programs.

USDA has formed a railcar working group to develop long-term solutions to the problem of railcar shortages. Last fall, Secretary Glickman met with railroad industry representatives to encourage them to respond to problems caused by railcar shortages, and USDA worked with grain producers, elevators, and railroads to coordinate responses to critical railcar shortages.

For Jeremy

Alison Wallace Media Affairs 6-5663
6-2673

re - 4:00 mtg w/ Pres TH (see attached

April ~~6~~-5770 & — ww —

Melody

- Debbie ~~Fera~~ / Dennis Burke — space

E X E C U T I V E   O F F I C E   O F   T H E   P R E S I D E N T

06-Feb-1996 03:45pm

Sandra Martinez

TO: Jeremy D. Benami

FROM: Gabrielle M. Bushman * F16 65701 or Chair Act
Office of Communications

SUBJECT: recap

Today / Wed.
Carolyn Curiel

Just to recap what we need:

- Background info on the three universities -- ie, if they are direct lending schools etc

- Info on work-study programs -- both at that school specifically and in general, plus details on what we are doing

- Background on the Clearlake Farmers Co-op Society from Barbara

- Fact sheets/background on our ag policy

- Summary of what the "Farm Act" does

thanks!

- Q's and A's
- Farm Act ... stuff.
- Fact check

Iowa State Farm Service Agency

Thomas Grau, State Executive Director
10500 Buena Vista Court
Urbandale, IA 50322 (515) 254-1540

State Committee
Gary Lamb, Chairperson
3829 Q Avenue
Chelsea, IA 52215 (515) 489-2563

Dale Lund
P.O. Box 465
Slater, IA 50244 (515) 685-3480

Ramona Timm
2453 220th Street
Blairsburg, IA 50034 (515) 325-6370

Rural Economic & Community Development

Ellen King Huntoon, State Director
Federal Building, Room 873
210 Walnut Street
Des Moines, IA 50309 (515) 284-4663

~~Greg~~ (HM) 202-543-2905 1-800-644-0376
pg. numeric msg.
or voice mail

Martha Phipps 720-2231
363+

demo — D - sub cabinet briefed ~~on~~ yesterday
w/great charts (Secs handed to president)

ag — D - briefing memo

soy, corn — q's and A's

railroad — two page of highlights for speechwriters

car shortage — Status

Q & A

two weeks old

policy persons —
— info. on Tom Grahn
USDA / Farm Service Agency

- Ellen Huntoon
rural devlpt.

T.J. Glauthier - ask for his review of
materials (OMB)

Dorothy Robyn - NEC/enviro person
Dan Kearn (OMB detailee to NEC)

Tom ~~Amondri~~ - press Secretary
Amontree 720-4623

Iowa trip

+ get mail

- Q's and A's on Farm Bill
- Background / event brfg. memo on farm bill

- Mike Tavarano - State. dir for Campaign.
  Camille Johnson - communications director.
  - Rick Jeskulka - Mason city, Iowa, advance on ground
  - Jeremy Gaines press office (WH)
  - Nicole
  - Barbara ~~Watson~~

- 3:20 Mason city "wheels down"
  Straight to farm event.

Rich: NICE - 230 members / 120 active corn soybeans

feeder } evenly split
export }
a little ethanol

Have had trouble getting rail cars. -
- May have drop off (no loading) only visual.

Clear Lake - ½ feeder 150 members / 80 active
½ export

IOWA

more action - rail cars there

- right off highway

drop offs.

rail issues -

USDA - will have to be prepared to answer the question on rail car shortage (only local conflicts) - have been fe

- exports -

-

Speach

The Surf club where Buddy Holly did his last performance.

Re background - USDA -

- check w/ Phil Caplan - is Glickman's memo to Pres ok (format, ~~ask for up-date~~)

- check w/ Ag.