

"Ag Notes"

A SUMMARY OF NEWS, EVENTS AND FACTS FROM USDA

\$13 BILLION BEGINS FLOWING INTO FARM SECTOR

Agriculture Secretary Veneman last week reviewed progress on implementing the 2002 Farm Bill and announced that payments of more than \$13 billion to producers for major commodity programs and other related agriculture programs has begun and will continue in the coming weeks.

"The team at USDA has worked hard to implement the new farm law and they continue to raise the bar in terms of getting the job done on behalf of America's farm sector," said Veneman. "The work that has been done to ensure farm bill payments and other agriculture-related programs will start providing more than \$13 billion in payments to farmers and ranchers beginning this month."

The 2002 Farm Bill mandated many changes to existing programs and also required the creation of new ones. For example, the new law allows producers to update historical acreage bases and yields; creates a new system for countercyclical payments; establishes new loan rates for traditional crops; creates new payment programs for dairy, wool, mohair, honey and pulses; and requires significant changes to the peanut program.

"We have worked diligently to meet the implementation target provided in the Farm Bill within a very short period of time," Veneman said. "The result is that financial assistance is reaching farmers and ranchers on a very timely basis." *(Continued Page 2)*

Veneman announces economic/energy grants—

Secretary Veneman this week announced more than \$75 million for economic development, energy and infrastructure projects to help spur investment and create new jobs in rural communities throughout the United States. This included \$37 million to support 231 renewable energy, marketing and value-added projects in 43 states; \$27 million for rural education and telemedicine projects; and \$12 million to support low-income housing and community projects in rural areas.

"These grants will bring new economic opportunities and job creation for rural America," said Veneman. "The Bush administration continues to increase investment in health care, education, value-added processing and rural infrastructure which is providing renewed growth to these important sectors of our economy."

The Secretary joined Senator Chuck Grassley and Congressman Greg Ganske, both of Iowa, in a telephone news briefing to announce the projects designated for Iowa and to highlight the ethanol and biofuels projects supported by these grants. Deputy Secretary Jim Moseley visited ethanol facilities in South Dakota and Iowa that will receive funding.

"These grants support the President's national energy strategy and build on the Bush Administration's commitment to expanding energy resources," said Veneman. "These type of value-added projects bring new opportunities for producers."



Secretary Veneman, joined by her farm bill implementation team, participates in farm bill teleconference briefing with agriculture reporters, 10/18



USDA this week launched The beginning of national standards for organic products. "When consumers see the USDA national organic seal on products, they will know that the products labeled organic will be consistent across the country," Secretary Veneman said." For more information visit www.ams.usda.gov/nop



For complete information on the issues contained in this publication and other food and agriculture topics visit USDA's website at: www.usda.gov

Quotables...

"China is one of the fastest growing markets for U.S. soybeans. We have been working very closely with the Chinese government to ensure that its biotechnology regulations are implemented in a manner that does not disrupt U.S. exports of soybeans other food and agricultural products."
Secretary Veneman 10/18



President Bush discusses his Blueprint for the American Dream of home ownership, 10/15

LISTERIA RECALL UPDATE

On October 12, USDA announced the voluntary recall of 27.4 million pounds of ready-to-eat meat products. The Secretary Veneman provided last week saying, "Our top priority at USDA is the protection of public health and we continue to ensure strong prevention and enforcement programs are in place to best protect consumers." The Secretary has asked USDA's food safety agency to strengthen its inspection programs by revising protocols and increasing product testing. In addition, USDA is in the process of completing new regulations for ready-to-eat products. For more details go to www.fsis.usda.gov

Farm bill implementation news continued—

The Secretary also discussed new conservation programs, as well as drought assistance that the USDA has implemented and payments are being made to producers. USDA has expedited emergency declarations in many states, making producers eligible for the same type of low interest loans available to other sectors of the economy stricken by natural disasters. USDA also estimates that \$4.1 billion will be issued to producers for indemnity payments.

4th Quarter Cash Flow to the Farm Sector – Summary

Direct Payments 2002 Crop	\$1.3 billion
Direct Payments 2003 Crop (Advance)	\$2.5 billion
Countercyclical Payments 2002 Crop	
First advance for cotton, rice and peanuts	\$0.61 billion
Dairy Program Payments	\$0.9 billion
Peanut Quota Buyout	\$1.3 billion
Apple Market Loss Assistance II and III	\$0.169 billion
Conservation Reserve Program Payments	\$1.6 billion
Cattle Feed Assistance	\$0.150 billion
Livestock Compensation Program	\$0.752 billion
Crop Insurance Indemnity Payments	<u>\$4.1 billion</u>
TOTAL:	\$13.4 billion

"I am pleased not only that farmers will receive their checks on time as required by the new law, but also that this additional cash is flowing to the farm sector at a critical time in the year," said Veneman.

President pledges to increase minority home ownership---

At a conference on minority home ownership, President Bush last week outlined ways the government and private sector housing and lending industries can work together to help 5.5 million minority families buy homes by 2010.

"Two-thirds of all Americans own their homes, yet we have a problem here in America because fewer than half of the Hispanics and half the African Americans own homes," the President said. "That's a homeownership gap. It's a gap that we've got to work together to close for the good of our country, for the sake of a more hopeful future."

Secretary Veneman, who joined the President and Housing and Urban Development Secretary Mel Martinez at the conference pointed out the contribution home ownership makes to rural communities and the overall quality of life for rural families. "USDA is proud of our long history in providing housing in rural America. Over the past 50 years, USDA has invested over \$90 billion to assist over 3 million families with a multitude of housing needs."

Veneman said that USDA is working to double the number of participants in its self-help program by 2010, with a special emphasis on minority ownership. While 50 percent of current participants are minorities, USDA is pledging to increase participation by 10 percent to help meet the President's goal. In addition, USDA is lowering fees and working to increase the number of minority lenders to reduce the barriers to minority homeownership as well as promoting the availability of credit counseling and homeownership education.

Additional Disaster Declarations Announced --

In continued efforts to expedite disaster assistance to farmers and ranchers hit hard by adverse weather, Secretary Veneman announced counties in 19 states eligible for loan interest loans and other USDA programs, including in many cases the Livestock Assistance Program. For complete details visit www.drought.fsa.usda.gov.