



U.S. DEPARTMENT OF AGRICULTURE

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HIGHLIGHTS FROM THE BUSH ADMINISTRATION'S FIRST 180 DAYS

USDA's mission is to enhance the quality of life for rural America and for all Americans by supporting agricultural production. Serving this mission requires utilizing prioritized resources, reflected in the budget submitted to Congress, administered by personnel well suited to meet the diverse challenges of agriculture and rural communities.

In addition to the dedicated career employees, USDA has approximately 300 non-career positions. Secretary Veneman and the White House have filled nearly 130 of these positions to date with a diverse group of individuals highly qualified to meet the challenges of USDA's mission. She has highlighted the Administration's commitment to fulfilling USDA's mission in several keynote speeches on budget, food safety, plant and disease prevention and farm programs.

President Bush Completes Sub-Cabinet

At the 180-day mark, the President has named his nominees for all 10 of USDA's sub-cabinet positions. Seven of these nominees, including the Department's Deputy Secretary, have been confirmed by the Senate and sworn into office. Three nominees are currently awaiting Senate confirmation.

ENSURING A SAFE, AFFORDABLE, NUTRITIOUS & ACCESSIBLE FOOD SUPPLY

Meat and Poultry Inspection Receives Full Funding for FY 2002

The President's FY2002 Budget Request demonstrates the Administration's commitment to food safety. The President's \$715.6 million request for meat and poultry inspection was fully funded by the House of Representatives in July, and an additional \$5.1 million was approved. The \$25.5 million in additional funding requested by the President and approved by the House over the FY 2001 level will facilitate the expansion of the National Residue Program, provide for increased on-site audits of foreign inspection programs, and provide a 4.6 percent pay increase for employees.

Submitted Regulations to Further Food Safety

In February, USDA re-submitted a proposed regulation to require meat and poultry processing establishments to conduct testing for *Listeria*. In order to facilitate public input and gather additional information, a public meeting was held to obtain additional scientific information and analytical data that could help strengthen the scientific foundation of the rule.

Food Safety Continues to Make Gains with HACCP

Since 1996, Pathogen Reduction and Hazard Analysis and Critical Control Point (HACCP) systems have been implemented in the more than 6,000 federally inspected and 2,500 State-inspected meat and poultry plants nationwide. New data released in April 2001 show that *Salmonella* prevalence levels in all product categories show a dramatic reduction when compared with levels prior to HACCP implementation. The Secretary, in a keynote speech, has outlined how the Bush Administration will continue to improve the safety of our meat and poultry products and ensure that common sense and sound science prevail during our inspection processes.

Reinspection Program for Imported Meat and Poultry Updated

In May, USDA held a public meeting to announce plans to update its port of entry reinspection of meat and poultry food products. The updates include revamping the FSIS computerized reinspection assignment and data collection system to provide improved information on products entering the United States.

USDA Launches New Food Safety Research Web Site

USDA launched a new web site (<http://www.nal.usda.gov/fsrio>) to serve as a database of food safety research projects to the research community and the general public. The site provides detailed information on food safety research projects, spending and accomplishments by U.S. Federal agencies, along with links to other important food safety research information. Researchers and policy makers can use this site as a tool to examine research needs and priorities in food safety. The searchable database provides information on nearly 500 food safety research projects dating from 1988 to the present, as well as more than 100 links to Web-based food safety research information provided by U.S. and foreign governments and educational and professional organizations.

Redesigned Slaughter Inspection System Improves Food Safety

In June, USDA's Food Safety and Inspection Service (FSIS) released new data demonstrating that the HACCP-based inspection models project continues to show dramatic improvements in food safety and other consumer protections. The models project, which is being tested in about 20 out of the approximately 6,500 plants FSIS regulates, shows a 99.9% reduction in food safety defects over traditional slaughter inspection. FSIS is initiating rulemaking to permit the models project to be used nationwide.

Public Health Approach to Food Safety

In June, FSIS held the first in a series of meetings on a USDA initiative to further protect the public health by improving inspection of processed meat and poultry products. At this first meeting, FSIS discussed its strategic plans for the next five years and proposed steps in developing an inspection system that minimizes the risks from processed products.

Pesticide Data Program Initiates Water Monitoring

In March 2001, the USDA Pesticide Data Program (PDP), which has focused on developing pesticide residue information in a variety of food commodities, initiated a water monitoring survey to produce statistically reliable human consumption data on pesticide residues in finished drinking water. Working collaboratively with the U.S. Geological Survey, the PDP will collect samples for the survey from various community water systems in New York and California. Data collected by the survey will be provided to the Environmental Protection Agency for risk assessment evaluations.

EXPANDING TRADE OPPORTUNITIES

USDA Strongly Advocates Trade Promotion Authority for President Bush

Following the President's leadership, Secretary Veneman and the Department have strongly advocated Congressional approval of Trade Promotion Authority (TPA). From the kick-off event with the AgTrade Coalition to recent White House meetings with key farm and commodity group leaders, the Secretary has worked to build support for TPA. USDA efforts have utilized Congressional testimony, private sector visits and media events, both in Washington, DC, and around the country to highlight the impact of trade for U.S. agriculture.

USDA Keeps Key U.S. Corn Export Markets Open

USDA has continued to work with major U.S. export markets to ensure that U.S. corn exports meet regulatory requirements with regard to StarLink corn. USDA teams continue to work with Japan and Korea, including visits to the United States by their officials to review protocols and observe testing processes in place for StarLink corn.

In addition, USDA, working with the White House, EPA and FDA, implemented a program to purchase seed corn containing the Cry9C (StarLink) protein that is approved only for use as animal feed. The initiative will help limit further production of StarLink, thereby lessening the possibility of it being used in human food products. It will assist small seed companies as they face potential severe losses and will help mitigate potential foreign trade implications.

Brazil Reopened Its Market to U.S. Wheat

USDA worked with Brazilian officials on phytosanitary concerns in order to open the Brazilian market for U.S. wheat products. In the past 180 days, USDA assisted a Brazilian technical team's extensive survey and analysis of wheat samples in the United States. Following this survey, the government of Brazil agreed to officially recognize major U.S. production areas as free of pest concerns, allowing imports of three types of U.S. wheat from Gulf and eastern U.S. ports. In 1996, before Brazil imposed import restrictions, it purchased roughly \$174 million of U.S. wheat.

Argentina Expands U.S. Citrus and Stone Fruit Market Access in March

As a result of bilateral technical consultations, Argentina has committed to changing its law by late May to open its market to California citrus. Argentina also agreed to administratively amend the requirements for California stone fruit. The market potential could reach as high as \$3 million for U.S. citrus and \$5 million for U.S. stone fruit.

USDA Makes Important Inroads in Reestablishing Commercial Trade with Russia

In late March, USDA expanded the basis for commercial agricultural trade with Russia by approving five new lenders for participation in USDA's GSM 102 program. USDA terminated commercial programs in 1998 following Russia's economic crisis and carried out large food aid programs. With Russia's economy rebounding, the GSM 102 and the

Supplier Credit Guarantee Programs will facilitate a return to commercial exports of U.S. agricultural products to Russia.

Egyptian Market Reopens for Leukosis-Free US Heifers

In the last 180 days, after lengthy negotiations, USDA succeeded in resolving the leukosis disease issue, which re-opens the Egyptian market for U.S. dairy cattle. Estimates are that U.S. dairy cattle sales could reach \$20 million within two years.

EU Delays Issuance of Regulations on Softwood Packing Material

As a result of bilateral meetings that concluded in February, a USDA team convinced the EU to delay their issuance of new softwood packing material regulations until October and to make the regulation more consistent with international standards. This delay will give the U.S. industry time to adapt to the new EU requirements.

The Codex Alimentarius Commission (Codex)

Codex, formed in 1962, is an international governmental organization with membership from more than 160 countries, including the United States. A subsidiary of two United Nations groups, the Food and Agriculture Organization (FAO) and the World Health Organization (WHO), it has worked to develop international food standards that protect consumers' health as well as promote fair trade. The Chairperson of Codex is the Administrator of USDA's FSIS, Thomas J. Billy, who just won reelection to a 2nd two year term on July 3. Within the past 180 days, the U.S. Codex Office has worked with USDA and other agencies of the U.S. government to develop U.S. positions that are based on sound science.

The Bush Administration has taken a firm stand against the European Union's (EU) so-called "precautionary principle" for use in setting international food safety standards. At a meeting of Codex held in early July, the Codex Chairperson, reflecting the views of a majority of Codex members, stated that Codex should not develop a food safety standard when scientific data are insufficient, a position that the EU opposed.

Regarding food labeling, the Bush Administration continues to advocate that the labeling of foods obtained through commodities derived from biotechnology should only be required when there are significant differences in the product obtained when compared to its conventional counterpart.

USDA Increases Wheat Gluten Trade

To assist the U.S. wheat gluten industry in completing the process of adjusting to import competition, the Commodity Credit Corporation (CCC) will pay \$40 million over the next two years to three U.S. wheat gluten manufacturers. The program, announced in June, will help processors pay for certain costs incurred in developing products and marketing for value-added wheat gluten and wheat starch products.

United States Wins WTO Dairy Case

On July 11, a World Trade Organization (WTO) dispute settlement panel ruled that Canada's measures to address an earlier adverse ruling regarding its dairy export

practices were insufficient. The panel stated that Canada's new method of subsidizing dairy exports is also inconsistent with its WTO commitments. The United States calculates that Canadian dairy export subsidies result in lost sales by American farmers and dairy processors of up to \$35 million per year. New Zealand, with a damage estimate of about the same magnitude, sided with the United States.

U.S. Agricultural Exports Reached \$4.3 Billion in April 2001

U.S. agricultural exports for April were up 9 percent over the same month in 2000. Fiscal year 2001 sales (first 7 months) reached \$32.4 billion, or 6 percent ahead of last year's pace, keeping the U.S. solidly on track to achieve the current forecast of \$53.5 billion. Exports of horticultural products to our NAFTA partners and bovine hides to China remained very strong in April, and wheat shipments were up sharply as well. U.S. soybean shipments slowed as South American supplies reached the market, but U.S. soybean meal shipments to Europe rose. Poultry meat export volume jumped 42 percent over the same month last year with increased sales to Russia, but cotton sales slowed considerably due to the uncertainty over prices.

China Buys U.S. Corn

On July 11, China unexpectedly bought 165,000 tons of U.S. corn, its first purchase in 3 years, for shipment in the next marketing year, which begins September 1. Traders were expecting imports by China after probable WTO accession in early 2002, but market forces make it more economic to import into the southern consuming areas than to move grain internally from northern producing areas.

Japan Approves U.S. Chelan Cherries

On May 31, the Japanese Ministry of Agriculture, Fisheries and Forestry (MAFF) announced in its official gazette that Chelan cherries will be approved under the same conditions as other approved varieties of cherries. The potential export value of Chelan cherries is estimated at about \$10 million. U.S. sweet cherry exports to Japan in 2000 totaled almost 18,000 tons, valued at \$101 million.

U.S. Exports of Oranges to Korea Continue to be a Bright Spot

U.S. exports of oranges to Korea during January-April 2001 totaled 63,404 tons, nearly 57 percent above last year's level. U.S. orange exports have benefited from the continued lowering of the out-of-quota duty that is being phased down until it reaches the in-quota rate of 50-percent. Korea's import quota for oranges for 2001 is 40,046 tons.

California Table Grape Exports to New Zealand Expected to Resume

After a series of technical exchanges and intensive coordination by the APHIS Canberra Office and FAS/Wellington, an Import Health Standard for fresh California table grapes has been finalized. As a result, grape shipments to New Zealand are scheduled to begin shortly under a pre-clearance program involving fumigation for spiders and a cold treatment regime for the glassy-winged sharpshooter. At the end of the 2000 U.S. export season, New Zealand temporarily revoked the Import Health Standard for imports of fresh table grapes from California due to several detections of live poisonous spiders and concern over the introduction of Pierce's disease via the GWSS. For 2000, U.S. table

grape shipments to New Zealand were valued at \$3.9 million, down 10 percent from the previous year.

The European Union Passes New Banana Regulation

On May 2, the EU's Banana Management Committee passed a regulation to adjust the banana import quota for Latin American bananas. A new regime goes into effect on July 1, providing a transition to a tariff-only system by 2006. The United States suspended the sanctions imposed since 1999 against EU imports valued at \$191 million on July 1, 2001.

Poland Reduces Agricultural Tariffs

In June, USTR and USDA negotiators successfully concluded a comprehensive trade package that includes significant reductions in Polish duties applied to U.S. grapefruit, wine and almonds. The reductions will be implemented in January 2002. The two sides also agreed to review regularly tariff differentials that penalize U.S. exporters as Poland implements tariff reductions consistent with its continuing efforts to join the European Union.

Spain Buys U.S. Winter Red Wheat

For the first time in years, Spain bought 100,000 tons of U.S. soft red winter wheat, the first European purchase of winter wheat in several years. The deal was possible through a combination of soaring domestic prices and a reduction in the levy on milling quality wheat. A landed price of \$118 - \$120 per ton is competitive enough at Mediterranean ports to displace French and UK wheat, which is going to be in tight supply this year.

Argentina Agrees to Expand U.S. Citrus and Stone Fruit Market Access

Argentina agreed to resolve several long-standing market access issues during bilateral technical consultations held in Argentina in March. Argentina committed to changing its agriculture legislation, so that the current impediments to the entry of California citrus would be removed. The estimated market potential could reach as high as \$3 million for U.S. citrus and \$5 million for U.S. stone fruit.

U.S. Exports of Softwood Plywood to Mexico Recover

U.S. industry reports that sales of softwood plywood to Mexico have resumed following the implementation on July 7 of a new estimated reference pricing scheme for softwood plywood based upon the quality of the plywood. Mexico is the largest export market for U.S. softwood plywood with sales of \$48 million in 2000.

Fostering Agricultural Trade in Africa

USDA conducted a second round of technical assistance workshops in Kenya, Tanzania, and Uganda on improving transportation management, and on harmonizing sanitary/phytosanitary and commodity standards to facilitate cross border trade. The program was funded by the U.S. Agency for International Development/Africa Trade and Investment Initiative, which works with USDA to help African private and public sectors adopt policy reforms to make their countries more attractive to international trade and investment.

STRENGTHENING THE FARM SAFETY NET

Farm Safety Net Strengthened for Underserved States and Specialty Crop Producers

USDA has developed a new 5-year, \$25 million initiative to increase risk management education, outreach and crop insurance products for farmers in 15 under-served states.

USDA Makes Commodity Loans and Payments

For the 2000 crop season, USDA has made 157,126 commodity loans totaling close to \$6.5 billion, 2,943,234 loan deficiency payments (LDPs) totaling over \$6.2 billion, and there are 85,398 commodity loans outstanding totaling \$2.5 billion. For the 2001 crop, FSA has made 2,057 commodity loans totaling \$61.6 million, 20,542 LDPs totaling \$25.4 million, and there are 1,966 commodity loans outstanding totaling \$53.5 million.

USDA Implements Apple and Dairy Market Loss Assistance Programs

Apple Marketing Loss Assistance Program payments in the amount of \$88.1 million were issued, with a remaining balance, totaling \$11.6 million to be distributed. States with most payment activity include: Washington, Michigan, New York, Pennsylvania, and California. Under the Third Annual Dairy Market Loss Assistance Program, a total of over \$671.3 million has been issued to dairy farmers.

PROTECTING PLANTS AND ANIMALS FROM DISEASE

Foot-and-Mouth (FMD) Prevention Efforts

Beginning in mid-February, Foot-and-Mouth Disease (FMD) was confirmed in livestock in areas throughout the United Kingdom, the Republic of Ireland, France, and the Netherlands, as well as in Argentina and Colombia. USDA, with strong support from the White House and other Cabinet officials, has worked with Federal, State, tribal and industry cooperators to enhance agricultural pest and disease prevention activities at U.S. ports-of-entry. This coordinated efforts and USDA's vigilance have prevented FMD from entering the United States.

Secretary Veneman has authorized an additional \$32 million in FY01/02 funding to augment the number of agricultural inspection officers at major ports and to conduct traveler outreach activities. USDA is also working with cooperators to strengthen and better coordinate our domestic foreign animal disease emergency response system. More than 250 USDA and State veterinary personnel have traveled to the UK to assist with FMD control efforts. The President's budget proposal for FY02 provides \$849 million to fund animal and plant disease prevention and eradication programs, up \$179 million over FY01.

President Bush's supplemental spending requests also included \$35 million to help guard against foreign animal diseases. This supplemental package allows USDA to enhance activities designed to protect U.S. agriculture from serious animal disease threats such as FMD and BSE.

Bovine Spongiform Encephalopathy (BSE) Prevention Efforts

USDA has prepared an emergency response plan that includes roles for multiple Federal agencies, as well as for State agencies and private industry sectors, to ensure the United States is prepared should BSE be introduced. In addition, USDA continues to take measures to protect the United States from the introduction of BSE, which has severely damaged the livestock industry in Europe and is linked to variant Creutzfeldt-Jakob disease, a fatal human illness. In March 2001, USDA purchased and destroyed two flocks of sheep made up of Belgian imports and their progeny. These sheep were likely exposed to BSE-contaminated feed while in Europe, and several had tested positive for a transmissible spongiform encephalopathy in July 2000.

President Bush signed S. 700, a bill to establish a federal interagency task force for the purpose of coordinating actions to prevent the outbreak of BSE and FMD in the United States.

USDA's Pest Prevention Program is Successful

The Department's "Don't Pack A Pest" Program recently released a public service announcement that has successfully been heard throughout America's 10 major media markets making nearly 140 million broadcast audience impressions.

SUPPORTING THE PRESIDENT'S NATIONAL ENERGY STRATEGY

USDA Secretary Highlights Agriculture's Role in President's Energy Policy

Secretary Veneman has utilized her public appearances and time on radio programs to talk about the importance of securing a reliable energy supply for agriculture and related industries. She has also talked about the role agriculture can play in being part of the solution by creating renewable energy resources.

USDA Approves Loans for Ethanol Facility

Secretary Veneman announced in June that USDA approved a \$12.5 million guaranteed loan for construction of an Iowa Ethanol facility. The facility, located in Galva, Iowa, will produce 18 million gallons per year.

USDA Announces Grants Supporting President Bush's National Energy Strategy

Secretary Veneman announced the approval of \$2.4 million in value-added agricultural product market development grants that will assist in the development of alternative energy sources. The grants will further the development of biomass fuel facilities that utilize agricultural products in finding long-term energy solutions.

USDA Publishes Notice of Funding Availability for Fuel Purchases

In July, USDA announced the availability of up to \$5 million for fiscal year (FY) 2001 in a new program of grants to state entities to establish and support revolving loan funds to provide a more cost-effective means of purchasing fuel for communities where the fuel cannot be shipped by means of surface transportation.

Rural Utilities Service Electric Program

This program makes loans to build and maintain the electric infrastructure of rural America.

- 70 loans totaling nearly \$415 million.
- 50 loan guarantees totaling nearly \$1.1 billion.

USDA Selects 28 Producer Groups for Value Added Grants

In June, USDA announced \$10 million in new Value-Added Agricultural Product Market Development Grants for 28 recipients. The grants are to help fund feasibility analysis, development of business plans, and provide for initial working capital for new value-added initiatives. These grants help bolster alternative long-term biomass fuel efficiency and development projects.

IMPROVING ECONOMIC OPPORTUNITIES FOR AGRICULTURAL PRODUCERS, RURAL RESIDENTS AND THEIR COMMUNITIES

USDA Appoints State Agency Directors

USDA has State Farm Service Agency (FSA) offices and Rural Development (RD) offices that are responsible for administering USDA farm, rural development and rural utility service programs. In the first 180 days, USDA filled 45 of 50 FSA state director positions and 45 of 47 RD state director positions.

USDA Appoints Farm Service Agency State Committees

USDA has 50 Farm Service Agency State Committees with three or five members on each committee. These committees are tasked with a variety of duties ranging from keeping farmers informed of USDA programs, keeping the Secretary of Agriculture informed of state activity, and hearing farmer appeals regarding program administration. In the first 180 days, Secretary Veneman appointed eight State Committees, accounting for 40 members.

USDA Successfully Expedites Farm Program Assistance to Farmers

Less than 60 days after her confirmation, Secretary Veneman announced that crop disaster payments of more than \$1.1 billion and \$3.5 billion in direct market loss payments to producers would be made to producers in all 50 states.

USDA Agencies Streamline Access to Forms and Information

USDA established a web site where our customers can download and complete forms needed to participate in farm, conservation and rural development programs and services, thereby improving administration efficiency and reducing the number of trips farmers and rural residents/officials must make to USDA Service Centers.

USDA Drought Preparation Underway

USDA's Drought Risk Assessment Advisory Panel is working to coordinate input for a new project titled "A Geospatial Decision Support System for Drought Risk Management". The outcome of this three-year, \$1 million project will directly contribute to USDA's ability to provide more efficient, effective and timely drought response, planning, and mitigation.

USDA Initiates Bio-Energy Program

USDA approved agreements with 79 plants in 19 states for participation in the \$115 million Bio-Energy Program, designed to expand industrial uses of agricultural commodities. As a result of the program, bio-energy production in FY 2001 is expected to increase to 246.2 million gallons of ethanol and 36.5 million gallons of biodiesel.

USDA Announces Potato Diversion Plan

In April, USDA announced its proposal to pay russet potato growers up to \$10,250,000 to divert a portion of their 2000 crop for charitable food institutions, livestock feed and ethanol production. Increased harvested acreage and record yields caused russet potato grower prices to plummet.

USDA Improves Livestock Mandatory Price Reporting Program

On April 2, 2001, USDA launched the new mandatory price reporting program to provide a greater level of market transparency to business transactions in the livestock industry. In May, the Secretary appointed a team of experts to review startup challenges in handling the tremendous increase in livestock market data over the previous voluntary system and confidentiality provisions that prevented the release of significant portion of information. On July 2, the Secretary announced a series of improvements to be made in USDA's mandatory price reporting program to ensure the effectiveness and reliability of the program and to increase the percentage of marketing information that can be released to the public without jeopardizing confidentiality of propriety transactions.

USDA Begins to Implement Pork Check-off Program Settlement Agreement

In February, USDA announced that a settlement agreement had been reached with the National Pork Producers Council and the Michigan Pork Producers Association, which allows the Pork Check-off program, which funds pork research and promotion efforts by the industry, to continue with significant modifications. Actions to implement the settlement agreement are underway.

Implementation of the Secure Rural Schools and Community Self Determination Act

USDA has been working to implement the Secure Rural Schools and Community Self-Determination Act (Public Law 106-393) to stabilize Federal revenue-sharing payments to rural communities that finance school and road construction while reconnecting these communities to the lands and waters that sustain them through implementation of collaborative restoration, maintenance, and stewardship projects. The 43 affected states and over 700 affected counties have each been provided with the information they will need to make informed decisions as required under the Act. Internal intranet and external Internet sites have also been developed to provide timely and accurate information.

Rural Business and Cooperative Programs

These programs provide loans, grants and technical assistance to assist the start up, enlargement or modernization of businesses and cooperatives in rural areas.

- 521 loans and loan guarantees totaling almost \$796.2 million.
- 418 grants totaling slightly more than \$42 million.
- Announced notice of \$29.5 million in grants available to cooperatives.

Rural Utilities Water and Waste Disposal Program

This program provides loans, grants and technical assistance to provide safe drinking water and environmentally sound sanitation systems in rural America.

- 208 water projects totaling more than \$209 million.
- 82 sanitation systems totaling more than \$110 million.
- 16 combined water and sanitation projects totaling more than \$22 million.

Office of Community Development

This program provides comprehensive assistance to rural communities by coordinating efforts throughout USDA as well as other federal agencies, state and local governments and private institutions.

- \$94 million invested in Empowerment Zones and Enterprise Communities (EZ/ECs).
- Leveraged USDA funds to help attract \$191.3 million in other federal investment and \$440.2 million in non-federal investment to EZ/ECs and other supported communities.

USDA Announces Grants for Rural Educational and Health Care Enhancements

In June, USDA announced \$15 million in grant awards for 42 Distance Learning and Telemedicine (DLT) grant awards benefiting 20 states and American Samoa. The DLT program provides financial resources to develop technologies needed to enhance learning opportunities and medical care for some of America's most remote rural communities. Included in the \$15 million in grants are 24 educational projects totaling \$9 million that will fund 294 educational facilities. More than \$6 million is targeted to fund 18 projects that will involve over 77 health care institutions.

USDA Awards Agricultural Marketing Research Center Grant

A consortium of universities, led by Iowa State University at Ames, were the recipients of a \$5 million grant awarded under competition for the establishment of a national Agricultural Marketing Resource Center. The center will create an electronic, web-based library to help disseminate information and resources useful to agricultural producers and processors interested in value-added activities. Other participants in the effort are Kansas State University, The University of California-Davis, and Oklahoma State University.

CARING FOR AGRICULTURAL, FOREST, AND RANGE LANDS

Accomplishments of the National Fire Plan

Following the devastating wildfires of 2000, the Departments of Agriculture and the Interior prepared a National Fire Plan (NFP) for rehabilitating burned over lands, reducing the impacts of wildland fires on rural communities, and ensure sufficient firefighting resources in the future.

The NFP includes five key points:

Firefighting. Establish the most effective preparedness organization to fight fires for the year's fire season.

Rehabilitation and Restoration. Restore landscapes and rebuild communities damaged by wildland fire.

Hazardous Fuel Reduction. Invest in projects to reduce fire risk.

Community Assistance. Work directly with communities to ensure adequate protection.

Accountability. Be accountable and establish adequate oversight, coordination, program development, and monitoring for performance.

The Forest Service has achieved 95% of the Most Efficient Level for wildland firefighting. This includes hiring and training 6,136 new firefighters, staffing approximately 65 hotshot crews, 1,100 wildland fire engines, 277 smokejumpers, and contracting for 39 air tankers and more than 100 helicopters.

Unfortunately, the Forest Service lost four firefighters in mid-July who were fighting the Thirty Mile Fire in Washington State.

Secretary Appoints New Forest Service Chief

On April 12, Secretary Veneman announced the appointment of Dale N. Bosworth as the 15th Chief of the USDA Forest Service. Bosworth, a 35-year career Forest Service professional, was hailed as an excellent choice by Forest service critics and among interest groups with divergent viewpoints on federal land management. Because he is a career employee, Boswell's selection has quelled the criticisms of many in recent years that agency leadership has become too political. His experience as a forest supervisor in the interior West has also prepared Boswell well to lead the agency as it carries out the National Fire Plan.

USDA Moves Forward on Roadless Protections

On July 10, an Advance Notice of Proposed Rulemaking was issued seeking public input on the management of inventoried roadless areas. A total of nearly 40 plaintiffs have filed 8 separate lawsuits against the roadless rule. The District Court of Idaho has preliminarily enjoined the roadless rule. The opportunity for the public to comment on ten questions relating to the management of nearly 60 million acres of the National Forest System will inform the Bush Administration on future decisions relating to roadless areas.

Conservation Data Attracts Thousands of Visitors to Agency Web Site

Since January 2001, USDA has released to the public more than 200 maps, tables, and graphics that show conditions and trends in land use, soil erosion, soils on prime farmland, wetlands, habitat diversity, and other information about natural resources. Data are statistically reliable for national, statewide, and multi-county use. An average of 3,000 people per day have been accessing those products available on the website.

9 Million-Acre Soil Survey Launched by USDA and Alaska

USDA and state/local officials in Alaska began a survey of soils on nearly nine million acres in a roadless region of the state's western interior. Data from the survey will assist landowners in protecting water quality and preventing soil erosion, as well as implementing waste treatment projects. The area is home to 19 Native villages and holds sections of the Kuskokwim and Yukon rivers that are accessible only by riverboat and small aircraft.

USDA Increases Efforts to Help Landowners Meet Regulatory Requirements

Animal Feeding Operations (AFO) are increasingly being faced with meeting state and federal regulatory requirements for CNMP's (Comprehensive Nutrient Management Plan). AFO operators view USDA as the primary source of technical assistance to develop and implement these plans. To prepare for the significant demand for assistance, USDA has completed five regional workshops to ensure employees can address the development of comprehensive nutrient management plans and associated supporting activities.

USDA Alleviates the Consequences of Natural Disasters

USDA is helping alleviate the adverse consequences of drought, specifically in the Klamath Falls Basin. To date over \$2 million in financial assistance has been provided to help landowners address safety and health issues associated with wind blown dust. Funds were provided to local sponsors to facilitate planting of cover crops on private land encompassing 21,000 acres in California and 17,000 acres in Oregon.

USDA Increases Efforts to Use the Latest Technology in Assisting Producers

Animal feeding operations are increasingly being faced with meeting state and federal regulatory requirements. The Natural Resources Conservation Service is working with private sector organizations and others to demonstrate new and innovative types of manure waste treatment and utilization technology. The information gained from these demonstrations will be critical to some of the nearly 44,000 animal feeding operations that may not be able to directly land apply manure without significant potential to impair the environment. The producers who operate the project farms, four to date, will be left with material that can be applied to the land with minimum potential for environmental degradation and with by-products that can be marketed.

USDA Funds New Programs Providing Additional Conservation Assistance

Thirty million dollars has been made available through two new programs to provide additional conservation assistance to the nation's landowners. The Agricultural Management Assistance (AMA) and Soil and Water Conservation Assistance (SWCA)

are part of continuing efforts to provide agricultural producers with conservation assistance. These programs will help landowners comply with federal and state environmental laws and make beneficial, practical and cost-effective changes to agricultural operations.

WORKING TO REDUCE HUNGER IN AMERICA AND THE WORLD

President's Budget Affirms Commitment to Domestic Feeding Programs

USDA has proposed funding levels that ensure that participation in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is maintained at the projected level of 7.25 million individuals expected to utilize the program. In addition, USDA's Food Stamp Program is budgeted at \$21 billion, a \$1.4 billion increase over FY01. Child Nutrition Programs are budgeted at \$10.8 billion for FY02, approximately \$600 million above FY01 estimates.

Global Food for Education Initiative Underway

The Global Food for Education initiative is an international school feeding program designed to improve school enrollment, attendance and performance in poor countries using commodities donated under the Section 416 (b) program. For FY 2001, USDA will develop 49 programs in 38 countries to provide 623,000 tons of food commodities valued at \$133 million to about nine million students. Over the past 180 days, USDA has signed 39 agreements providing about 350,000 tons of commodities valued at \$72 million. The \$300 million pilot program will provide 634,000 tons of food using corn, rice, soybeans and vegetable oil, wheat products, and nonfat dry milk.

USDA Provides International Food Relief Under Section 416(b) Program

In March, USDA received additional funding for about 800,000 tons of commodities under the Section 416(b) program to meet emergency needs. USDA will ship emergency food to the Horn of Africa, Afghanistan, and other countries that are facing severe food shortages, including \$10 million to assist El Salvador recover from recent earthquakes. The aid package to El Salvador encompasses relief through Food for the Poor, as well as government-to-government and private voluntary organization assistance.

USDA Streamlines Summer Month Meals Program for Children

Three schools districts in Florida were granted a waiver to pilot a meal program for children over the summer months that will streamline paperwork and program management. The pilot program will allow the school systems to operate a "seamless" child nutrition program that combines elements of the Summer Food Service Program and National School Lunch Program. Upon conclusion of the three-year pilot, the effectiveness of the streamlining effort and the success of the schools at increasing program participation will be evaluated.

USDA Works with States to Simplify Food Stamp Participation

In close cooperation with Texas, a combined application project has been initiated that will allow the state to simplify the food stamp certification process for individuals who receive SSI benefits but have not applied for food stamps. Benefits will be standardized based upon data from the Social Security Administration and information obtained from the household about its shelter costs. South Carolina is also operating an SSI/food stamp project with its own distinct structure. Similarly, work is underway with Washington, Mississippi, New York, and Michigan on additional SSI projects designed to increase food stamp participation by eligible SSI recipients.

USDA Announced Lowest Ever National Food Stamp Program Payment Error Rate

On April 27, USDA announced the FY 2000 national payment error rate of 8.91%, the lowest error rate in program history. This represents nearly a ten percent reduction from the FY 1999 error rate of 9.86%. The Administration is working to permit those states facing sanctions due to high error rates to reinvest the penalties in program activities that can help reduce future benefit payment errors.

Provided \$4.5 Million in Grants to Help Improve Meals for Children

Team Nutrition Training Grants totaling \$4.5 million will be awarded the week of July 23 to 24 State agencies that administer the school lunch and child care food programs. State agencies in California, Connecticut, Idaho, Illinois, Iowa, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Montana, New Hampshire, New Jersey, Pennsylvania, Rhode Island, South Carolina, South Dakota, Virgin Islands, Vermont, West Virginia, Wisconsin, and Wyoming, as well as the District of Columbia, were selected to receive these grants through a competitive grant process. This funding will be used to provide training and technical assistance for child nutrition food service professionals and the delivery of new and innovative nutrition education strategies for children and their caregivers.

USDA Works with Puerto Rico to Expand EBT

USDA secured the commitment of Puerto Rico's new Governor to continue expansion of EBT and to earmark 75% of block grant benefits for the purchase of food in order for the program to better meet its mission to enhance food security and nutrition.

USDA Provided Nutritious Food to Victims of Disaster

As part of the Federal effort to respond to the disruption and damage caused by severe storms and tornadoes in Kansas and Texas, USDA's Food and Nutrition Service (FNS) donated tens of thousands of pound of nutritious commodity food to people in affected areas.

USDA is also operating a Disaster Food Stamp Program in certain parts of Texas hard-hit by Tropical Storm Allison.