



STB Hearings on Future Rail Structure Focus on BNSF-CN Deal

As expected, the Surface Transportation Board's hearings this week on the future structure of the rail industry have instead focused squarely on the proposed combination of the Burlington Northern Santa Fe and Canadian National Railways.

Top rail executives from the Union Pacific (Chairman and Chief Executive Officer Richard Davidson), Norfolk Southern (Chairman, President and Chief Executive Officer David R. Goode), CSX (Chairman and Chief Executive Officer John W. Snow) and the Canadian Pacific Railroad (President and Chief Executive Officer Robert Ritchie) squared off with BNSF Chairman Rob Krebs and Canadian National Chairman and Chief Executive Officer Paul Tellier. The UP, NS, CSX and CP urged the STB to impose a moratorium of uncertain duration on future rail mergers and acquisitions, saying that failure to do so could lead to "reregulation" of the rail industry. But the rail executives recommended against changes in the substantive existing law that governs rail mergers, and against changes that could undermine the revenue-generating capacity of rail carriers.

In response, Tellier and Krebs urged the STB to make an expeditious decision on the proposed combination once the formal application is filed with the agency, which is expected

to occur by late March. They also encouraged the STB to implement new rules for future mergers. At one point, Tellier said, "there is no bad time for a good merger nor a good time for a bad merger" adding that competitor railroads had reacted in a "very emotional manner." Krebs maintained that mergers can help improve rail service, and said that a moratorium would "destroy (rail) values that can never be replaced."

Meanwhile, the Wisconsin Central Transportation Co., a significant shortline railroad, became the first major competing rail carrier to voice support for the BNSF-CN combination. The Wisconsin Central said it had reached an agreement with the two Class I carriers concerning trackage and haulage rights that would allow it to expand its merchandise freight service to points throughout the upper Midwest and Ontario, Canada.

NGFA Urges STB to Impose Service, Competitive Conditions on Future Mergers: The NGFA, in testimony to be presented at the STB hearing on March 10, urged the agency to impose service and competitive conditions on any future rail mergers or combinations,

(Continued on page 6)

Clinton Sends China Trade Bill to Congress

On March 8, President Clinton forwarded to Capitol Hill his long-awaited legislation that would grant China permanent normal trade relations status, kicking off what promises to be one of the most important and divisive congressional debates this year.

Under current law, Congress conducts an annual review of the trade status between the United States and China. China has had its normal trade relations status (previously known as most-favored nation status) renewed each year since 1979.

Under Clinton's proposed bill, the White House would have the authority to exempt China from this process and grant it permanent normal trade relations status, which is required to put into force the bilateral U.S.-China trade agreement reached last year. Such action also is required for the United States to conduct trade with China under the rules of the World Trade Organization, which China is seeking to join.

While it appears that the bill has a good chance of passing the Senate, the outlook in the House is very uncertain. [See related article on page 2.] Opponents of granting China permanent normal trade relations status have a wide range of views, claiming potential losses of U.S. jobs, lack of labor and environmental safeguards in China, and human rights abuses by the Chinese government. But supporters of the bill, including the NGFA, counter that increasing trade with China is in the U.S. national interest – both economically and strategically – and is a constructive way to bring about the economic prosperity and dialogue necessary to bring about change in that nation. "We can work to pull China in the right direction or we can turn our backs and almost certainly push it in the wrong direction," Clinton said in a recent speech.

Committee hearings on the bill have not been scheduled yet.



Keeping U.S. Agriculture on Track for Growth

The House Agriculture Committee this week began a series of 10 regional field hearings on farm policy. Among the recommendations offered for solving the low-price problem at the first such hearing in Lubbock, Texas, was a return to subsidizing farmers for idle acres – fallow payments. USDA has some of its own ideas about how to “fix” current Freedom to Farm legislation, including raising the cap on Conservation Reserve Program acres.

Secretary Glickman once said the CRP would never be used for supply control. But a careful reading of the secretary’s recent speeches indicates he may have changed his mind. The evidence that supply management schemes only hurt the U.S. farm economy is overwhelming. The U.S. acres taken out of production from 1980 to 1995 were more than replaced by up-trending foreign acres and yields.

Two members of the National Corn Growers Association told congressional staffers last week what competition might mean to future U.S. agriculture growth. Having just returned from a trip to Brazil, the two farmers reported that another 150 million Brazilian acres with good access to efficient waterway transportation are readily available for clearing. Recent technological advances reduce transport costs by 70 cents per bushel, and those acres can produce 50-bushel soybeans with no irrigation. The growing season is so lengthy that double-cropping also is being used on some land. New lands can be purchased, cleared and put into production for less than \$300 per acre.

Ready to compete with that?

That’s the bad news. The good news is that most of the rest of the world is not that production-efficient, and the United States still can compete favorably on a cost basis with most countries – if it is willing to produce.

The message from the U.S. corn farmers was that this was no time to go back to supply control schemes, which is exactly what our international competitors want. Freedom to Farm seems to be working in “spreading the pain” to international competitors. In the last three years, the United States has pulled back on plantings of grains and oilseeds by 3 million acres. However, our competitors have reduced planted acreage by 25 million in the same period. The U.S. price-protection umbrella is gone and the results are much different than when the United States shouldered virtually the entire supply adjustment burden for the globe.

The other side of rejuvenating the farm economy is to leverage the U.S. trade position. Congress is going to vote in the next few months on permanent normal trade relations with China. All this means is that we are going to treat China the same as other trading partners under the World Trade Organization. Potential benefits of

enhanced trade relations with China and greater discipline on China trade barriers and agriculture subsidies are enormous. But passage is far from certain.

This is an issue that every member of the NGFA should raise with his or her congressman in the next month. Several key members of the House Agriculture Committee are not looking favorable. Leaning toward a “no” vote are: Reps. **Collin Peterson**, D-Minn., and **Richard Pombo**, R-Calif. “Undecided” members include: Reps. **David Phelps**, D-Ill., **Mike Thompson**, D-Calif., **Asa Hutchinson**, R-Ark., and **Spencer Bachus**, R-Ala. Leaning toward a “yes” vote, but actively seeking input from agricultural interests, are: Reps. **Todd Tiahrt**, R-Kan., and **Lee Terry**, R-Neb.

Isolating the United States as the world moves forward to more open trade with China would not be unlike our 1980s strategy of unilaterally setting aside acreage while the rest of the world moved forward to benefit from a growing ag/food sector. The United States largely missed sharing in the global food consumption growth from 1980 to 1995. Our future policy strategies should give U.S. farmers both access and opportunity in growth markets.

As the policy debates on China trade, new trade negotiations and proposed “fixes” for domestic farm policies get underway this year, the National Grain and Feed Foundation will be publishing a series of one-page educational articles with a common theme: **“Growing Agriculture Profitably.”** We will provide you with copies of those articles, and hope that you will share them with customers and business acquaintances.

Now is **not** the time to get sidetracked from a vision and strategy for growth.

NGFA Calendar

March 28-31: NGFA’s 104th Annual Convention,
Hotel Del Coronado, San Diego, Calif.

NGFA Convention Committee Meetings/Open Forums

Tuesday, March 28, 1 - 6:30 p.m.

- Rail Shipper/Receiver Committee (Open from 4:30-6:30 p.m.)

Wednesday, March 29, 1 – 3 p.m.

- Feed Industry Committee
- Grain Grades & Weights Committee
- Food and Feed Safety Committee
- International Trade/ Agricultural Policy Committee
- Marketing Committee
- Rail Shipper/Receiver Committee
- Trade Rules Committee

3:30 – 5:30 p.m.

- Country Elevator Committee
- Risk Management Committee
- Safety, Health & Environmental Quality Committee
- Waterborne Commerce Committee





Senate Ag Committee Approves Crop Insurance Bill

The Senate Agriculture Committee on March 2 approved its version of a crop insurance bill, opting for the measure introduced by Sens. Pat Roberts, R-Kan., and J. Robert Kerrey, D-Neb., that would increase subsidies for higher levels of insurance coverage.

In so doing, the committee first rejected, by a 10-8 vote, a compromise “national choice” reform bill offered by committee Chairman Richard G. Lugar, R-Ind. Under the Lugar proposal, producers would have had the option to select either risk-management payments or increased subsidies to offset crop insurance premiums. Those who selected the direct payments would have been required to utilize at least two of 12 possible risk-management practices each year. There were four categories of practices, including crop insurance, marketing, risk mitigation and conservation.

Voting **against** the Lugar version were: Sens. **Tom Harkin**, D-Iowa, **Kent Conrad**, D-N.D., **Thomas Daschle**, D-S.D., **Max Baucus**, D-Mont., **J. Robert Kerrey**, D-Neb., **Tim Johnson**, D-S.D., **Pat Roberts**, R-Kan., **Charles Grassley**, R-Iowa, **Larry E. Craig**, R-Idaho, and **Rick Santorum**, R-Pa.

The Roberts/Kerrey bill (S. 1580), which was approved by a unanimous vote with slight modifications after the committee rejected the Lugar compromise, would invert the current premium buy-down formula to make higher levels of coverage more affordable. Specifically, it would revamp the crop insurance premium subsidy level to:

- ▶ 55 percent for 50/100 and 75/100 coverage.
- ▶ 50 percent for 65/100 and 70/100 coverage.
- ▶ 45 percent for 55/100 and 60/100 coverage.

Current insurance subsidy levels range from 13 to 57 percent.

The Roberts/Kerrey bill also would authorize \$200 million over four years to establish pilot programs that seek to expand crop insurance to new crops and regions not currently covered, as well as to improve crop insurance policies. It also contains provisions that would:

- ▶ allow producers to plant substitute crops on prevented planting acreage, provided a set of conditions is met;
- ▶ improve coverage under the Non-Insured Assistance Program (NAP);
- ▶ establish a multi-year disaster Average Production History (APH) adjustment for those producers who have experienced a natural disaster in at least three of

the preceding five years, resulting in an APH reduction of 25 percent;

- ▶ establish an APH credit program for beginning farmers who do not have a production history or those who have added land or rotated crops;
- ▶ authorize funding to conduct studies on a new rating system to address lower-risk producers not currently using crop insurance;
- ▶ restructure the Federal Crop Insurance Commission Board to include additional expertise in economics and reinsurance;
- ▶ authorize up to \$20 million annually for USDA’s Risk Management Agency to create partnerships with other entities to explore ways to develop new risk-management techniques for specialty crops; and
- ▶ increase fines and penalties for producers, insurance agents, adjusters and approved providers who provide false information regarding losses, planted acres or engage in fraud or abuse of the program.

Also approved by a unanimous vote was an amendment by Sen. Tom Harkin, D-Iowa, that would require producers who participate in the federal crop insurance program to develop conservation plans for land prone to soil erosion. This requirement is standard in many other federal farm programs.

The bill now moves to the Senate floor for a vote. If approved, it will be subject to a joint House-Senate conference committee to resolve differences between the two chambers’ respective bills.

The House passed its crop insurance reform bill (H.R. 2559) on Sept. 29. The House-passed version, introduced by House Agriculture Committee Chairman Larry Combest, R-Texas, focuses totally on crop insurance. Among other things, it would increase government premium subsidies at all levels of coverage to encourage greater participation, provide enhanced coverage for multi-year disasters and authorize a livestock price insurance pilot program.

Under current law, \$1.9 billion is spent on crop insurance annually. Final passage of a crop insurance bill will result in roughly \$6 billion in new expenditures over four years, equating to a total of \$3.4 billion per year.



USDA Likely to Propose Farm Storage Subsidy Program Rules in April

The NGFA has learned that the U.S. Department of Agriculture likely will publish its rules for reinstating the farm storage facility loan program sometime in April.

According to USDA officials, there still is internal debate within the department on whether to issue the rules as interim final regulations – which would allow the loan program to begin immediately, even while USDA obtains public comments – or as proposed regulations that would not be finalized until after a public comment period. Currently, USDA officials said, the plan is to issue a proposed rule subject to a 30-day comment period.

The rules still are being reviewed within USDA, and still must be approved by the White House Office of Management and Budget prior to being published.

The NGFA also has learned that USDA intends to propose that farm storage structures will **not** be eligible for the subsidized loans if building materials have been ordered or delivered – or if construction on the structure has begun – before USDA's rules are issued.

In addition, USDA officials said that farm storage structures proposed to be built or renovated under the loan subsidy program will be subjected to environmental and historic preservation laws. Among other things, this will include environmental assessments by several federal agencies, including USDA's Natural Resources Conserva-

tion Service and the Interior Department's Fish and Wildlife Service, before such projects are approved. USDA officials said this review likely will be coordinated by the Farm Service Agency county office.

Condo Storage: USDA officials said it is still their intent to draft the proposed rules "broadly enough" to enable so-called "condo storage" to be eligible for subsidized loans. USDA officials will review the farm storage facility loan program and its condo storage aspect at the Country Elevator Committee's March 29 open meeting during the NGFA's 104th annual convention in San Diego.

Other Elements: These other elements are expected to be included in the proposed rule:

- ▶ Financing would be provided under five- to 10-year repayment terms, at the producer's option;
- ▶ The interest rate would be based upon the Commodity Credit Corporation's borrowing rate, which for March is 6.25 percent.
- ▶ Loan requests would be approved to finance storage for up to two years' crop production on the individual farm. Existing storage capacity and historic yields would be used in making this calculation.
- ▶ Flat storage structures would not be eligible for the loan subsidy program.

USDA Reinstates Beneficial Interest Requirement on LDPs, Marketing Loan Gains for 2000 Crop Year

The U.S. Department of Agriculture has reinstated its requirement that producers retain "beneficial interest" in commodities to be eligible to receive loan deficiency payments or marketing loan gains.

In a notice [LP-1725] issued on March 3, USDA's Farm Service Agency said that the requirement that producers retain beneficial interest – that is, title and risk of loss or damage – in the commodity will apply to requests for LDPs or marketing loan gains received by county offices starting Feb. 16.

Congress mandated that FSA waive the beneficial interest requirement for eligible 1999 crops of grains, oilseeds, cotton and rice when it passed the agricultural appropriations bill for fiscal year 2000 last fall. [See *NGFA Newsletter*, Dec. 29, 1999.] The FSA notice said this waiver will be honored for LDPs and marketing loan gain requests received prior to Feb. 16. Under this waiver, the producer still was eligible for LDP

or marketing loan gains even if the producer already had marketed the otherwise-eligible commodity. The only restrictions were that the producer: 1) may not have already received a LDP or marketing loan gain for the same commodity; 2) must have been the actual producer of the commodity; and 3) must have had beneficial interest in the commodity at the time it was marketed or at the time the loan was redeemed.

Under certain kinds of forward cash contracts – such as delayed price or deferred payment – USDA has determined that producers lose beneficial interest. The NGFA has urged that the beneficial interest requirement be changed permanently to enable producers to enter into these and other kinds of forward contracts to maximize income from markets. The NGFA will be working with Congress to identify a legislative vehicle to accomplish this objective for commodities produced in the 2000 crop year and beyond.





USDA Allows Producers to Use Buyers' Checks to Purchase Commodity Certificates

The U.S. Department of Agriculture on March 3 issued instructions allowing producers to use buyers' checks to purchase commodity certificates to redeem marketing assistance loans.

The issuance of commodity certificates was mandated by Congress when it passed emergency agricultural spending legislation last fall, which included a one-year increase in the payment limit to \$150,000 per person (up from the previous \$75,000 limit). But the commodity certificate payment option was added to the legislation as a way to enable producers to receive payments exceeding the newly raised limit, since the value of commodity certificates will **not** be counted against the payment limit. USDA also has noted that a principal objective was to avoid forfeitures of commodities from producers who reach the limit that applies to cash payments.

USDA's Farm Service Agency, in a notice [LP-1726] to its state and county offices, said that producers wishing to use a buyer's check to immediately redeem outstanding commodity loans with commodity certificates may do so. The "value" of the certificate will be the posted county price in effect on the date the buyer's check is received by the FSA county office.

In the March 3 notice, FSA also reminded its state and county offices that producers have the option to use commodity certificates to redeem their outstanding commodity loans **even if they have not reached the payment limit**. However, the notice said county offices "may explain to those producers not having payment limitation concerns that there is absolutely no financial advantage to them" in doing so.

The FSA notice also said that marketing loan gains obtained through the use of commodity certificates – as with other marketing loan gains – will not be reported by the Commodity Credit Corporation to the Internal Revenue Service. "However, producers should be reminded that either the loan disbursement or any market gain earned is income and must be reported as required by IRS," the FSA notice said. "Any questions about this issue are between the producer and IRS."

The transactions involving commodity certificates, which became available Feb. 22, are a simultaneous computer exchange. No certificates are physically issued to producers and thus, no certificates are available to be traded in a secondary market. Here's how the process works:

1. The producer or his/her agent repays the full loan amount (loan principal plus accrued interest).
2. USDA's Commodity Credit Corporation then "buys" the loan collateral back from the producer/agent at the full loan-repayment value, in effect canceling out the payment made by the producer in step 1.
3. CCC then, at the producer/agent's request, "issues" commodity certificates in an amount needed for the producer to repurchase the loan collateral from CCC. In the case of grains and oilseeds, the value of the commodity certificates is the posted county price in effect on the date the repayment is received at the county office; for cotton, it is the world price in effect on the date the repayment is received.
4. The FSA county office then releases the loan collateral to the producer or his/her agent.

FSA Deputy Administrator Vicki Hicks to Leave USDA

Vicki Hicks, who has served as deputy administrator for commodity operations at the U.S. Department of Agriculture's Farm Service Agency since the spring of 1997, will be leaving USDA on March 17 to become vice president of industry relations for E-Cotton.Com, an electronic marketing firm.

Hicks joined USDA in November 1993 as assistant deputy administrator for commodity operations. A frequent speaker and guest at NGFA conventions and conferences, Hicks has worked closely with the NGFA in developing and implementing policies and regulations governing storage, handling and disposition of CCC-owned commodities, as well as the U.S. Warehouse Act and Uniform Grain and Rice Storage Agreement.

Prior to joining USDA, the Oklahoma native was chief of staff to then-Rep. Karan English, D-Ariz., and worked for five years as legislative assistant to the late Sen. Quentin Burdick, D-N.D., where she was responsible for agriculture, foreign affairs and international trade issues. She also worked as a policy analyst with the Commerce Department's International Trade Administration, and practiced international trade and corporate law with a Washington-based firm. The NGFA wishes her well in her new career!





(“STB” continued from page 1)

and to require carriers to agree to provide market-based compensation for rail users damaged by resulting service disruptions. The NGFA emphasized that it has not established a position yet on the CN-BNSF combination. A summary of the NGFA’s statement is reported in the enclosed edition of “*Issues and Actions*.”

USDA, Canadian Wheat Board Oppose CN-BNSF Combination: In other testimony presented at the STB hearings, the U.S. Department of Agriculture urged the agency to “curtail” future mergers involving the seven remaining Class I railroads. “...USDA believes that the timing of this proposed combination (BNSF-CN) could not have been worse,” testified Michael V. Dunn, USDA undersecretary for marketing and regulatory programs. “USDA opposes any further rail consolidation in the near future because we believe railroads need to improve the service they are currently providing to agricultural and other shippers throughout the entire U.S. rail network before attempting any additional consolidation.... We also would like to see railroads passing some of the so-called ‘merger-related efficiencies back to shippers in the form of lower rates.’ USDA asserted that a major reason rail rates have declined is that grain shippers, in particular, had assumed a greater responsibility for car supply and other functions railroads previously provided.

Among other things, USDA also said that: “[T]he railroad mergers and consolidations occurring since 1994 have resulted in increased market concentration and greatly decreased intermodal competition—events not foreseen at the time the Staggers Act was passed. These factors, combined

with renewed profitability in the railroad industry, indicate that now is the time for the (STB) to place more emphasis upon those goals relating to preservation of intermodal competition and shipper protections.”

The Canadian Wheat Board also said it was concerned about the potential “downstream” effects of a CN-BNSF combination, arguing that rail customers “have yet to realize benefits from the recent mergers.” The Canadian Wheat Board said “increased merger activity could be devastating to Western Canadian producers” and would place the Canadian Pacific Railway in a “very tenuous position,” since more than 90 percent of its grain business is located within 50 miles of either the BNSF or CN. The Canadian Wheat Board also urged the STB “to examine the possibility of imposing the adoption of Canadian-style shipper protections on the proposed merged entity” if it approves the BNSF-CN combination.

STB Launches Oversight Proceeding on CN-Illinois Central Merger: Meanwhile, the STB announced today that it was instituting a general oversight proceeding [STB Finance Docket No. 33556 (Sub. No. 4)] soliciting comments on the merger of the Canadian National and Illinois Central Railroads. As part of its approval of the merger in 1999, the STB imposed conditions that included a five-year general oversight of the transaction and its implementation. The proceeding launched today will require the CN to file by July 3 a progress report containing “an in-depth analysis of its implementation of the CN/IC transaction and the workings of the various STB-imposed conditions.” Comments by interested parties are due by Aug. 18. Further information on the proceeding is available by contacting David C. Barrett Jr. at the NGFA at (202) 289-0873.

Exporters Eligible for Full Refund of Harbor Maintenance Tax

Major exporters – including grain, feed and processing companies – are eligible to receive a full refund of harbor maintenance tax (HMT) payments made since the tax was imposed in 1987, a U.S. appellate court ruled on Feb. 28.

The harbor maintenance tax was imposed following enactment of the Water Resources Development Act of 1986 to finance dredging activities. The U.S. Supreme Court in March 1998 found that the harbor maintenance tax was an unconstitutional tax on exports. That decision stopped further imposition of the tax on exports and made exporters eligible for refunds. The Supreme Court case, however, did not answer the question of how far back the government would be required to go in refunding harbor maintenance tax payments.

Subsequently, the U.S. Court for International Trade ruled that a two-year statute of limitations applied to exporters’ claims for refund of harbor maintenance taxes that previously had been paid. The Feb. 28 appellate court ruling reverses the lower court’s

decision and makes exporters eligible for refunds of all harbor maintenance taxes that had been paid. Some have estimated the total refunds will exceed \$500 million.

Among other things, the appellate court said that: “Allowing exporters to seek refunds of all (harbor maintenance taxes) paid since 1987 also avoids a fundamental unfairness to those exporters who did not have the resources to mount test litigation in the district court or the Court of International Trade on the constitutionality of the export HMT.... Accordingly, **we hold that the denial of a request for refund is a protestable decision and thus can accrue a claim based on the alleged illegality of the exaction of the HMT even if the request, which under the HMT regulation can be filed at any time, is made after the two-year statute of limitations has run on suing over the act of payment of the tax.**” [*Emphasis added.*]

The harbor maintenance tax still is collected on imports and domestic shipments.





OSHA Sets Schedule, Procedural Rules for Ergonomics Public Hearings

The Occupational Safety and Health Administration has set the schedule and detailed procedural rules on how it intends to conduct a series of informal public hearings on its proposed ergonomics program standard.

The agency proposed on Nov. 23 that all employers with manufacturing and manual handling jobs, as well as jobs in which a covered ergonomic injury occurs, be required to implement a comprehensive ergonomics program. The NGFA submitted a statement on March 2 to the agency strongly opposing the proposed standard. [See report in enclosed edition of *Issues and Actions*.]

Hearing Schedule: Public hearings on OSHA's proposed standard will be conducted at the following locations on the dates indicated:

March 13 - April 7; May 8 - 12

Francis Perkins Building
U.S. Department of Labor
200 Constitution Ave., N.W.
Washington, D.C.

April 11 - April 21

State of Illinois Building
James R. Thompson Center (Assembly Hall)
100 West Randolph Street
Chicago, Ill.

April 24 - May 3

Mark Hatfield Federal Court House
Courtroom #16
1000 S.W. 3rd Ave.
Portland, Ore.

The NGFA is scheduled to testify at the May 10 hearing in Washington, D.C.

OSHA said the informal hearings are an adjunct to the written comment period and are designed to provide an additional opportunity to address the agency and provide testimony and evidence for the rulemaking record. Generally, the hearings will begin each day at 8:30 a.m. and conclude by 6 p.m. Only those persons or groups that already have filed a notice of intention to appear with OSHA are scheduled to testify.

EPA to Issue Final Rule Exempting Fuels from Emergency Planning Requirement

Environmental Protection Agency Administrator Carol Browner on March 3 signed a rule implementing a law passed last year by Congress that exempts flammable substances from the emergency planning and reporting requirement of Section 112(r) of the Clean Air Act when those substances are used as a fuel or held for sale as a fuel at a retail facility.

Previously, the law had required facilities with more than a threshold amount of a regulated substance to develop and implement a risk-management plan to prevent serious chemical accidents that have the potential to affect public health and the environment. Originally, such plans were required for 77 acutely toxic chemicals and 63 flammable gases and volatile liquids that exceed threshold levels. Grain, feed and farm supply facilities with 10,000 pounds or more of propane at any one time during the year originally were required to comply with the program.

However, facilities with more than 10,000 pounds of a flammable substance in a process that does not use the substance as a fuel, or is not a retail facility holding the flammable substance for sale as a fuel, still will be required to comply with the risk-management plan rules.

**The NGFA's web site --
Check it out!**



**Access the Web Site
by Typing the NGFA's
Web Site Address:**
<http://www.ngfa.org>

Enter the User Name: ngfa

Enter the Password: soybean





Membership Matters

by Todd Kemp
Director of Marketing

"February Frenzy" Gives Way to "March Madness"

With only days remaining until the end of the NGFA's 1999-2000 membership year, recruiters are on the verge of delivering 104 new members to correspond with the NGFA's 104th annual convention. At press time, **15 new members still were needed** to reach that milestone. **All NGFA members are urged to pull out all the stops and spare no effort in signing up another new member or two before convention!**

The NGFA's major recruiting drive in February, dubbed "**February Frenzy**," was capped in dramatic fashion as Arizona Grain Inc. President John Skelley's second new member of the month arrived at the NGFA offices a scant four minutes prior to the end of the contest. Minutes later, that very application (and the second chance it gave Skelley) proved decisive as his name was drawn as winner of the **February Frenzy** prize: a weekend at the GATX corporate apartment high atop Central Park in New York City, plus complimentary airfare for two. **Thanks to GATX Rail for sponsoring our wonderful February prize!**

Need talking points or recruiting tips? Want materials sent to your prospect? Call Todd Kemp at (202) 289-0873 or e-mail tkemp@ngfa.org!



And the winner is...John Skelley, Arizona Grain Inc., Casa Grande, Ariz! Shown here, NGFA's Candace French, executive assistant, member services, and Director of Marketing Todd Kemp draw the winning entry for "February Frenzy" after a highly successful month in which 18 new NGFA member companies were recruited.



National Grain and Feed Association
1250 Eye St., N.W., Suite 1003
Washington, D.C. 20005-3917

TIME SENSITIVE

