



USDA to Extend Moratorium on Accepting USWA Applications from State-Licensed Warehouses

...Thirteen States Urge USDA to Rescind USWA Final Rule...

The NGFA learned this week that the U.S. Department of Agriculture plans to announce as early as today that it will extend – through Feb. 14 – its self-imposed moratorium on approving applications from state-licensed warehouse operators to become federally licensed.

The extension is intended to provide additional time for USDA, states and the NGFA to explore whether an acceptable proposal can be developed to resolve issues arising from USDA's final regulations implementing the U.S. Warehouse Act of 2000.

At issue is USDA's assertion in the final regulations implementing the U.S. Warehouse Act that it has exclusive authority to regulate the merchandising-related activities of federally licensed warehouses. Specifically, USDA stated in its final regulations that: "Compliance with state laws relating to the grading, weighing, storing, merchandising or other similar activities is **not** required with respect to activities engaged in by federally licensed warehouses."

Later this month, the NGFA is scheduled to meet with representatives of USDA, the National Association of State Departments of Agriculture (NASDA) and the Association of American Warehouse Control Officials to continue discussions on potential changes to the financial standards applicable to federally licensed warehouses to further enhance producer protection. Discussion is centering on potential increases in the minimum net worth and bonding requirements for federally licensed warehouses; whether to require CPA-audited financial statements; and whether to provide some form of financial assurance (bonding or other methods) to cover a portion of unpaid producer cash grain sales obligations at federally licensed warehouses.

In a separate, but related, development, 13 states (led by Iowa) in a letter dated Dec. 30 urged Secretary of Agriculture Ann Veneman to rescind the Aug. 5 final regulations implementing the U.S. Warehouse Act.

(Continued on page 4)

NGFA, NAEGA Sign Joint Services, Operating Agreement

...Organizations to Retain Independence While Sharing Office Space, Staff Resources...

The NGFA and the North American Export Grain Association (NAEGA) announced this week they have entered into a joint operating and services agreement to share office space and professional staff resources to further enhance their effectiveness and value to member companies while controlling costs.

Under the joint agreement, NAEGA will relocate its Washington office on or about Feb. 1 to the NGFA's office. The relocation will enable the two organizations to reduce operating and overhead costs by sharing office space and equipment, as well as computer and communications technology. The agreement also will enable the two organizations to better utilize existing executive and administrative staff expertise, and conduct joint membership and committee meetings to save industry and staff time and expense.

(Continued on page 2)



A joint operating and services agreement between the NGFA and the North American Export Grain Association is signed by their respective chief executive staff officers in Washington. Signing the agreement are (from left) NAEGA President and Chief Executive Officer Gary C. Martin and NGFA President Kendell W. Keith.



("NGFA, NAEGA" continued from page 1)

Importantly, the two organizations will retain their independence and maintain separate governing bodies for determining policies and positions on issues. They also will continue to provide their distinct information and issues-management services to retain the value of both organizations to their members. But the agreement provides a framework under which the NGFA and NAEGA will enhance their existing policy coordination and government representation efforts when it is in the best interest of their respective members.

In announcing the joint operating and services agreement, the NGFA and NAEGA emphasized that companies involved in domestic and export grain-handling operations will continue to find value by being members of both organizations because of the industry-leading and exclusive focus, issues management, information services, commercial service and government representation that each will continue to provide.

"This agreement is a natural outgrowth of the increasingly strong and effective mutual working relationship we have had with NAEGA over the years," said NGFA President Kendell W. Keith. "It retains the value and exclusive services that both organizations provide to their respective member companies. But at the same time it will provide an operating structure that will enable both organizations to further expand – through increased industry and staff interaction and coordination – our coverage of, and representation on, the important trade-related issues that affect the economic prospects of our industry."

NAEGA President and Chief Executive Officer Gary C. Martin said, "This agreement will enable NAEGA membership to leverage their entire association investment and significantly reduce operating costs. The vital and critical contribution of membership personnel time and expertise will find new efficiency through the increased coordination of issues and joint meetings. By accessing the office and staff expertise of the NGFA, NAEGA will successfully enhance its leadership role in serving the export grain trade while reducing its professional staff by one person.

"Building on NAEGA's successful international program activity, including its role as a USDA Cooperator, the agreements with NGFA give us the ability to effectively address both the numerous opportunities to promote exports and the growing number of trade disruptions and barriers faced by exporters of grains and oilseeds," Martin added.

"The synergies created by joining these two organizations in a service agreement that combines staff talents and brings a united message on many issues affecting the U.S. grain industry are a great step in the right direction,"

said NAEGA Chairman John Miller, president of Bartlett Grain Co., L.P., Kansas City, Mo. "While the boards of directors will remain independent to continue their unique focus on specific issues, we anticipate that we will be able to work together to solve many of the challenges facing the industry in the future."

NGFA Chairman Rick Calhoun, vice president for Grain and Oilseed Supply Chain-North America at Cargill Inc., Minneapolis, Minn., said, "While I am encouraged about the opportunity this agreement provides to reduce member costs, I am even more excited about the potential for addressing issues more effectively as an industry."

The joint services and operating agreement between NAEGA and NGFA includes the following features:

- ▶ The NGFA and NAEGA will remain separate corporate entities, with each governed by their separate and distinct boards of directors.
- ▶ NAEGA will conduct its annual Board of Directors meeting in conjunction with the NGFA's annual convention in March. In addition, each organization's elected industry chairman or his/her designee will be invited to attend the Board of Directors' meetings of the other group to further enhance policy coordination.
- ▶ NAEGA will contract for certain specified services through the NGFA, including office space, equipment and associated services.
- ▶ To the maximum extent possible, joint meetings will be conducted among the two organizations' committees that cover comparable issues. These include their respective Grain Grades and Weights Committees, both of which address grain quality and grading issues, as well as the NGFA's Food Safety Committee and NAEGA's Biotechnology Committee, both of which principally address agricultural biotechnology issues. Under this arrangement, the two organizations' respective committee chairs and staff will work together to set their independent committee agendas. These committees will meet in both joint and association-specific sessions.
- ▶ NGFA and NAEGA staff will conduct joint issues-management planning meetings to allocate staff resources to meetings, events and activities warranting attention.
- ▶ NGFA and NAEGA will continue to provide exclusive information and advocacy services – including separate and unique information bulletins – for their respective members. The independent value of both organizations will be preserved and enhanced by the agreements.



The NGFA and Its New Partner

This week, your National Grain and Feed Association and the North American Export Grain Association announced they are entering into a joint service and operating agreement that will more closely link the two organizations.

This new operating platform will achieve more efficiency and cost savings. But the biggest gain will be the enhancement of our joint ability to address trade-related issues. This agreement with NAEGA, combined with the strategic partnerships the NGFA already has established with the Grain Elevator and Processing Society (GEAPS) and the Pet Food Institute (PFI), follows the directive in NGFA's Long Range Plan to pursue alliances with other professional organizations with which we have common interests.

NAEGA's sole focus is the facilitation of international grain trade in the interest of its North American members. NGFA's trade policy interests include grains and oilseeds, but also include the facilitation of trade growth in feed, meat and poultry, and other grain-based products. In addition to its work on federal trade policy, NAEGA continues to offer a standardized export contract and troubleshoots international issues affecting commercial trade, particularly those related to specific trade barriers. NGFA traditionally has been involved in advising the U.S. government on trade

policy matters, and has pressed the case for pro-growth agricultural policies with educational programs like "U.S. Agriculture 20/20" that quantified the economic damage caused by U.S. acreage-idling programs. And in 2001, the National Grain and Feed Foundation funded a study on "Global Markets: Opportunities and Strategies for U.S. Agriculture" that demonstrated the significance of trade to the meat, feed and grain sectors of the U.S. economy.

NAEGA's expertise focused on bulk grain exports will be complemented by NGFA's broader company and political base. While we are likely to work jointly on a number of issues, there are times that individual efforts will create more potential for success. Both NAEGA and NGFA have "standing" among the federal agencies and international organizations important to our member companies, which can be leveraged more effectively through closer cooperation.

As U.S. agriculture and individual companies continue to strive for better performance and greater efficiency to stay competitive globally, it is incumbent upon their trade organizations to find ways to improve their performance, too. The NGFA will continue to explore strategic alliances – both formal and informal – that serve our members' interests. Thank you for your confidence and support!



On Capitol Hill

by Christopher Holdgreve
Director of Legislative Affairs
E-Mail: choldgreve@ngfa.org

Producer Groups Renew Plea for Disaster Assistance

Thirty-two agricultural producer groups sent a letter to Congress on Dec. 20 urging that it expedite consideration of a "comprehensive" emergency disaster-assistance bill for crop and livestock producers who sustained weather-related production shortfalls in 2001 and 2002.

In addition to the letter, the groups this week staged a two-day fly-in to take their message to Capitol Hill. Organizers estimated more than 100 producers would participate, including representatives from the American Farm Bureau Federation, the National Farmers Union, the National Association of Wheat Growers and the National Cotton Council.

The Bush administration and some fiscally conservative members of Congress have been cool to the idea of providing disaster assistance on the heels of a multi-billion dollar farm bill. The administration indicated that any increase in spending would have to be offset with budget reductions from the recently passed farm law.

The farm organizations wrote in their letter that while they "believe it was the intent of Congress that the new farm bill reduce or eliminate the need for future ad hoc market loss-related assistance" it is "incapable of predicting and adequately dealing with natural disasters." The groups are supporting the legislation passed last year by the Senate that was included in the fiscal year 2003 Interior Department appropriations bill that would have provided an estimated \$5.9 billion in disaster assistance. That bill was never enacted, despite a last-ditch effort.

It appears that some level of disaster-assistance funding has a chance of passing in the new Congress. But the funding level, as well as the potential need to offset additional spending, is keeping the situation fluid. Sen. Ted Stevens, R-Alaska, new chairman of the Senate Appropriations Committee, stated this week that no agreement had been reached yet.



("Warehousing" continued from page 1)

The letter from the 13 states asserts that if USDA's position stands concerning the preemption of federal regulatory oversight of the merchandising activities of federally licensed warehouses – something the letter calls a "massive change" in the rule – "the protection of the financial interests of farmers selling...agricultural products (to federal warehouses) will be jeopardized."

The letter cites three major reasons for its assertion:

- ▶ USDA has "no administrative procedures in place to implement a federally sponsored system of checks and balances on purchases of agricultural products from producers;"
- ▶ USDA "lacks a sufficient number of employees adequately trained to perform merchandising oversight" at federally licensed warehouses; and
- ▶ USDA "has neither developed nor implemented a system of indemnification to protect farmers who sell grain to federally licensed warehouses."

The letter urged "at the very least" that USDA extend what it erroneously calls the 90-day "moratorium on implementation of the final rule..." In reality, USDA's self-imposed 90-day moratorium is not a delay in the effective date of the final rule – which took effect when it was published in the Aug. 5, 2002 *Federal Register* – but rather a delay in accepting

applications from warehouse companies currently licensed under state grain dealer laws and regulations to be federally licensed.

Officials from the following states signed the letter: Iowa, Colorado, Georgia, Idaho, Illinois, Louisiana, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio and South Dakota.

In a related development, a press release issued Jan. 2 by Iowa Attorney General Tom Miller and Secretary of Agriculture Patty Judge implies the threat of legal action against USDA and warehouse operators, something not stated in the correspondence to Veneman itself. Miller specifically stated in the press release that he and Judge "question the legality of the rule..." and whether it "is beyond the scope of the U.S. Warehouse Act itself." Miller further stated, "At the least, this rule will cause confusion and costly and time-consuming litigation." The press release also stated that a copy of the Veneman letter had been sent to Iowa's congressional delegation asking that it support federal legislation to rescind the final rule if USDA does not, stating that failure to do so "...could cause huge losses to farmers left unprotected by state regulations and indemnification programs."

Meanwhile, USDA plans to continue discussions with NASDA – of which the 13 states are members – and the NGFA later this month. USDA also conducted a briefing today to update producer groups on the status of the discussions.

USDA to Retain Existing Reinsurance Agreement for Crop Insurance

The U.S. Department of Agriculture announced Dec. 31 that it will retain its existing standard reinsurance agreement with crop insurers through the 2004 reinsurance year. The agreement spells out the terms of reinsurance between USDA's Risk Management Agency (RMA) and companies participating in the federal crop insurance program.

USDA said it took the action "after careful consideration of many factors," citing as a "major concern" the "current unsettled nature of the industry" that includes lingering drought conditions in some parts of the country and the economic collapse of the largest crop insurance company – the Nebraska-based American Growers Insurance Co. (American Agrisurance).

USDA also said the delay will provide time for affected parties to address what it called "a growing recognition" that crop insurance companies need to improve operating efficiencies and reduce program costs. RMA Administrator Ross J. Davidson said he hopes to achieve "substantial cost savings and enhanced regulatory oversight" of the crop insurance delivery system. RMA said it intends to exercise its right under the Agricultural Risk Protection Act of 2000 to renegotiate the reinsurance agreement for the 2005 reinsurance year.

RMA and the Nebraska Department of Insurance on Dec. 10 signed a memorandum of understanding outlining responsibilities the two organizations have in supervising the unwinding and transferring of American Growers Insurance Co.'s policies. The action came after RMA rejected a bid from Rain and Hail LLC to purchase American Growers Insurance because of concerns over conditions placed on the offer that would have required the waiver of RMA procedures. Davidson at the time indicated the terms of the sale would not have been in the best interests of policyholders or taxpayers.

An order of supervision issued by the Nebraska Insurance Department guaranteed the continued operation of American Growers until all producer claims are satisfied. The supervisory role for the Nebraska Insurance Department was necessitated after Acceptance Insurance Companies, the parent company of American Growers, showed a third-quarter loss of \$131 million. That brought its cumulative loss for the first nine months of 2002 to \$140.5 million. Meanwhile, RMA subsequently developed procedures to transfer all 2003 crop year policies written by American Growers to other reinsured companies.





AAFCO to Discuss Next Steps in Developing Model Feed 'Process Controls'

The Association of American Feed Control Officials (AAFCO) is scheduled to review a proposed definition of feed process controls and discuss its next steps in formulating a model for such controls during its mid-year meeting scheduled for Jan. 19-22.

AAFCO is the professional organization of federal and state feed regulatory officials. NGFA is an active participant in AAFCO, providing advisers to AAFCO committees that represent the interests of the feed manufacturing sector.

The discussion on feed process control is scheduled to occur during AAFCO's Feed Manufacturing Committee meeting. Among other things, the committee is to review a proposed definition for feed process control developed by a working group in which the NGFA participated. The draft definition states that feed process control "is a systematic approach designed to keep the manufacturing (production/processing) and distribution of products within specified parameters to assure product quality and safety. Reliable verification procedures used in a feed process control program can confirm that products meet established quality and safety parameters and comply with statutory and regulatory requirements."

The definition, once approved, is designed to guide AAFCO's future deliberations as it seeks to develop a model feed process control strategy that attempts to address "all applicable, known feed-borne hazards (i.e., biological, chemical and physical)" that affect animal or human health "and address those processes that might negatively impact a feed or feed ingredient, including transportation." AAFCO states that feed process control should provide feed and ingredient manufacturers, as well as on-farm feed manufacturers, with the "guidance and framework needed to incorporate quality and feed safety management systems into their production practices." AAFCO states that it recognizes that firms must have the flexibility to determine which processes are "reasonably likely" to affect their products, and then to develop

control programs – be they good manufacturing practices, quality assurance programs, hazard analysis and critical control point programs (HACCP), ISO or other techniques – tailored to address such hazards.

The AAFCO meeting also will feature general sessions focusing on implementation of voluntary HACCP programs in the United States and Canada; a Food and Drug Administration-sponsored forum on detecting animal proteins prohibited from use in ruminant feed under the agency's regulations designed to prevent bovine spongiform encephalopathy (BSE); and amendments to AAFCO's model bill and regulations.

During its meeting, AAFCO's Feed Manufacturing Committee also is scheduled to give final approval to a checklist designed to be used by industry and regulators to facilitate adoption of its so-called "Guidance/Framework" document for best management practices for manufacturing, packaging and distributing animal feeds and feed ingredients. The guidance/framework document, which was approved in January 2002, was developed with the involvement and support of the NGFA, its strategic partner, the Pet Food Institute, and other feed and ingredient organizations. The document – and the accompanying checklist – are intended to be used as an educational tool to provide generic guidance to a wide range of feed and ingredient manufacturing operations. The checklist, like the underlying guidance/framework, contains sections on: 1) buildings and grounds; 2) equipment, maintenance and housekeeping; 3) personnel; 4) purchasing and receiving procedures; 5) warehousing and storage; 6) feed and feed ingredient production; 7) formulas, labels and production records; 8) shipment and distribution; and 9) complaint and recall procedures. The NGFA plans to distribute the checklist to members as soon as it is adopted officially by AAFCO.

The committee also will consider a policy related to conditions under which used feed bags can be cleaned and reused.

Kansas State Schedules Feed Mill Profitability Workshops

The NGFA is pleased to be co-sponsoring a series of three **Feed Mill Profitability Workshops** with Kansas State University.

The three-part workshop series – scheduled for March 18-19, May 20-21 and July 22-23 – will be conducted at the KCI-Expo Center located three miles from Kansas City International Airport. K-State says the three workshops will equip participants to: 1) perform capital budgeting, including preparation of detailed cash-flow statements and assigning rates of return based upon projected risk; 2) interpret financial statements and assess feed mill competitiveness through the application of financial ratios and benchmarking; 3) perform cost analysis by

shift and feed ration; 4) analyze and manage variability using statistical techniques that improve feed quality, operating efficiency and profitability; and 5) utilize planning techniques to examine growth strategies.

Cost for all three workshops is \$750, while enrollment in individual workshops is \$295 each. Tuition includes breaks, a lunch, a dinner and training materials, including a notebook and CD with take-home assignments. Each workshop begins at 1 p.m. the first day (including an evening session) and concludes by 3 p.m. the second day. For questions on the workshops' curriculum, contact Dr. Tim Herrman, workshop coordinator, at 785-532-4082.





Corn Refiners Issue Reminder of Biotech Traits Not Approved for Export to Europe

The Corn Refiners Association (CRA), an organization representing U.S. corn wet millers, has asked for the NGFA's assistance in reminding members about biotech corn traits **not** approved for export to Europe in 2003.

Noting the importance of the European market for U.S. corn gluten and other processed corn products, the CRA is asking grain handlers to "assist farmers in ensuring that corn grain not yet approved in Europe is not delivered to corn refiners exporting to the European Union (EU)."

"While seed companies are prepared to provide marketing information to their customers, you may be in the best position to assist your customers as they make their seed selection and grain marketing plans for the coming year," the CRA said in a letter to the NGFA. "We appreciate your assistance in enabling our members to maintain valuable European markets for processed grain products and assisting producers in effective marketing of their corn crop."

Biotech corn seed that may be offered to producers for planting in 2003 that has **not** yet obtained import clearance in the EU consists of: 1) Monsanto Roundup-Ready™ Corn®, including varieties containing the Roundup-Ready trait stacked with other traits; 2) Monsanto rootworm-

control corn; 3) Pioneer YieldGard® and LibertyLink™, which are stacked varieties of Monsanto 810 and T25; and 4) Dow Agro-Sciences Herculex™ I Insect Protection corn. Several of these biotech corn traits were profiled in the Dec. 23 edition of the *NGFA Newsletter*.

The CRA letter noted that growers producing the aforementioned biotech corn varieties are supposed to have signed a grower agreement containing specific instructions on marketing the harvested grain. In addition, CRA noted, several of the varieties will bear a special seed bag tag denoting that they are part of the "Market Choices" program devised by the biotech seed industry and are "subject to marketing restrictions." CRA noted that "these traits may be incorporated in seeds sold by other seed firms under license to the developer."

CRA also emphasized that all other varieties of transgenic corn **have** received EU approval and are not subject to marketing restrictions. These include any corn varieties incorporating traits solely from Syngenta/Mycogen event *Bt* 176, Syngenta event *Bt* 11, Bayer Crop Sciences event T25 and Monsanto event 810.

USDA Retains 0.6 Percent Wheat Dockage Limit for Food Aid Shipments

The U.S. Department of Agriculture announced Jan. 8 that it will retain its current 0.6 percent maximum limit on dockage for wheat purchased for international food aid programs.

USDA in March had requested public comment on whether to continue to reduce its maximum allowable dockage limit to 0.5 percent for fiscal 2003 and beyond. Under a "clean-wheat initiative" launched in 2000 by the Clinton administration, USDA gradually reduced the amount of allowable dockage in its wheat purchases for food aid from 1 percent in fiscal 2000 to 0.6 percent. USDA also sought comments on whether the limit should be relaxed to a higher level, or whether it should abandon the initiative entirely and return the dockage limit to 1 percent.

The NGFA had urged USDA to resume its previous practice of specifying dockage limits that reflect commercial market conditions, noting that most foreign buyers continue to contract in the commercial market for wheat with dockage levels ranging from 0.7 to 1 percent. "In the wheat market, price and other intrinsic quality factors – specifically protein content, test weight and moisture content – are more important than 'cleanliness' in the purchasing decisions of major foreign buyers," the NGFA had said. The NGFA also

had noted that grain suppliers had reported increasing difficulty in generating sufficient quantities of domestic wheat to meet the 0.6 percent dockage limit.

U.S. International Trade Commission Launches Study of 'Probable' Economic Impact of U.S.-Australia Free Trade Agreement

The U.S. International Trade Commission (ITC) announced Dec. 27 that it will initiate – at the request of the U.S. Trade Representative's Office – an investigation of the "probable" economic impact of a U.S.-Australia Free Trade Agreement.

Specifically, the study is to evaluate the potential economic impact of providing duty-free treatment for U.S. imports of Australian products on affected U.S. industries that produce similar or directly competitive products, as well as on U.S. consumers. The ITC also said it would conduct a Feb. 6 public hearing in Washington in connection with the investigation.





EPA Exempts Certain Methyl Bromide Uses from Phase-Out Requirements

The Environmental Protection Agency (EPA) has exempted methyl bromide – when used for quarantine and pre-shipment purposes – from its regulations requiring a phase-out of it and other ozone-depleting substances by Jan. 1, 2005.

EPA said it was providing the exemptions under provisions of the so-called Montreal Protocol that allows exemption for certain critical uses. The Montreal Protocol was established in 1997 to begin the process of phasing out man-made substances that harm the upper atmosphere's ozone layer.

Quarantine Applications: Under EPA's new rule that took effect Jan. 1, applications of methyl bromide to commodities imported to, exported from, and transported within the United States would qualify for the quarantine exemption when: 1) methyl bromide is identified within quarantine regulations as the unique treatment option for specific quarantine pests; 2) methyl bromide is identified within quarantine regulations as one of several treatment options for specific quarantine pests; and 3) methyl bromide is required for an emergency quarantine application. In addition, the quarantine exemption would apply when an importing country has quarantine regulations that broadly require U.S. exported commodities to be free of

quarantine pests without specifying the type of pest treatment.

Preshipment Applications: EPA's final rule exempts methyl bromide non-quarantine applications performed within 21 days of export to meet the official requirements of the importing country or existing requirements of the exporting country. EPA said that official requirements relate to those "performed by, or authorized by, a national plant, animal, environmental, health or stored product authority."

Reporting Requirements: EPA's rule requires applicators to certify in writing to the seller of methyl bromide that the material will be used explicitly for quarantine and preshipment purposes. For quarantine applications, the applicator must obtain documentation from official personnel requesting treatment of a commodity to control a quarantine pest, or a letter from the commodity owner, shipper or agent requesting use of methyl bromide and explicitly citing the regulation requiring quarantine treatment or quarantine official control. Likewise, the applicator is required to collect certain documentation citing the official requirement for a preshipment application, including a letter from the commodity owner, shipper or agent citing the official requirements for preshipment application.

EPA Proposes to Withdraw 'Unworkable' TMDL Rule

The U.S. Environmental Protection Agency (EPA) on Dec. 20 announced that it is proposing to withdraw the July 2000 final rule that revised the agency's total maximum daily load (TMDL) program under the Clean Water Act.

Under the 1972 Clean Water Act, each state is required to identify polluted waters and establish what are known as "total maximum daily loads" (TMDLs), which determine the degree to which various sources of pollutants need to be reduced to meet the state's standards.

Prior to the TMDL process, states issued permits to control industrial and municipal discharges into bodies of water from so-called "point sources," such as a specific pipe or channel. EPA in ensuing years also began accounting for non-point sources of pollutants, and implemented a TMDL process to determine the quantity of pollutants that bodies of water could sustain before cleanup was required.

In October 2000, Congress prevented EPA from enforcing final revisions the agency intended to make to its TMDL rule. In addition, a National Academy of Sciences' National

Research Council report issued in June 2001 urged EPA and the states to take a more science-based approach when classifying the pollution of waterways under the TMDL program. Among other things, the NAS/NRC report found that "many" of the 21,000 bodies of water placed on a target list for cleanup by states were classified "without adequate water quality data" and charged that there was "considerable uncertainty" as to whether some of the waters violated the standards. To improve the TMDL process, the NAS/NRC report urged states to develop more refined water-quality standards, including the use of biological measurements to complement the physical and chemical standards already being employed. It also urged the use of statistical approaches to design monitoring programs and analyze data to determine if water-quality standards have been violated.

In announcing the action, EPA Administrator Christie Todd Whitman said the agency continues to develop improvements to its TMDL program, and has utilized the pre-2000 TMDL process to approve more than 5,000 TMDLs in 2001 and 2002.



Membership Matters

by Todd Kemp
Director of Marketing
E-Mail: tkemp@ngfa.org

Major Membership Prize for February Frenzy Winner

Recruiters Can Begin Qualifying on Jan. 15!

Each year, as the NGFA annual convention approaches, all NGFA members are asked to place a special focus on new member recruitment. New members are critically important, as they provide new people, new resources, and new ideas. And continued growth is essential to keeping dues reasonable for everyone!

Again this year, **February Frenzy** will be a special, concentrated effort to recruit new members. During this period, all NGFA members who sponsor a new member will qualify for this fabulous prize:



NASCAR Get-Away, Michigan International Speedway, Aug. 17

- ▶ Grandstand tickets and hospitality suite passes to meet driver Jeff Gordon (*Sponsored by Pioneer, a DuPont Company, W. Des Moines, Iowa*)
- ▶ Airfare for two (*Sponsored by QuickFarm, Charleston, S.C.*)
- ▶ Two nights lodging (*Sponsored by Michigan Agricultural Commodities, Lansing, Mich.*)



By order of Membership Network Chairman **Dave Reiff**, Reiff Grain and Feed Inc., Fairfield, Iowa, all membership sponsors beginning Jan. 15 through Feb. 28 will qualify for this great **February Frenzy** grand prize. A random drawing at close of business on Feb. 28 will determine our winner.

Prize for New Members: Your newly recruited member qualifies for a great prize too! A second random drawing will award complimentary convention registration (primary and spouse registrations included) to a lucky new member. Complimentary registration in Tucson may be the incentive that brings your prospect in!

So begin contacting your prospective new members now, and get them warmed up for *February Frenzy!* Watch your NGFA Newsletter for updates.

Questions, or need materials sent? Contact Todd Kemp at (202) 289-0873 or tkemp@ngfa.org. And thank you for your efforts!



National Grain and Feed Association
1250 Eye St., N.W., Suite 1003
Washington, D.C. 20005-3922

TIME SENSITIVE



NGFA 107th Annual Convention
March 26-28, 2003, Tucson, Ariz.

