



Harkin Releases Major Sections of Senate Farm Bill Proposal

...Would Increase Loan Rates, CRP and Slash Direct Payment Rates; Contains Onerous 'Competition' Section Prohibiting Arbitration Clauses in Contracts...

Senate Agriculture Committee Chairman Tom Harkin, D-Iowa, this week released several major sections that he plans to use as the starting point for the committee's consideration of a new farm bill.

While Harkin has not formally introduced a farm bill, the sections obtained by the NGFA include its provisions on agricultural competition, direct and counter-cyclical payments, and loan rates. The competition section includes a provision that would deem contracts that contain a compulsory arbitration clause to be void. Harkin's bill also would increase loan rates for all commodities except soybeans, and slash the per-bushel direct (AMTA) payments currently provided under the 1996 farm law as well as the new farm bill approved in October by the House. [See accompanying table on page 3.]

Meanwhile, the Senate Agriculture Committee this week approved the agricultural credit section of its version of a new farm bill, without amendment. The NGFA has learned that Harkin hopes to schedule three more work sessions of the committee during the week of Nov. 5. It is unknown at this writing whether those committee sessions will be devoted to work on the commodity, competition and other major sections of the measure or on relatively non-controversial sections, such as forestry and rural development.

Senate action on a farm bill picked up pace after Senate Majority Leader Tom Daschle, D-S.D., declined to make a commitment to the Bush administration to delay consideration until next spring, despite urgings from the administration and an Oct. 23 letter issued by several key commodity and livestock organizations saying they were agreeable to such a delay. Daschle previously had included the farm bill in his list of priorities for the remainder of this session of Congress.

Among the provisions of Harkin's bill obtained by the NGFA are these:

Agricultural Competition Section: The agricultural competition provisions of Harkin's planned bill rely heavily on themes and concepts included in model state legislation drafted by the Iowa attorney general's office. Among other things, the bill would establish a new "Office of Special

Counsel for Competition Matters" within the U.S. Department of Agriculture that would be responsible for investigating and prosecuting violations of the law's provisions. The USDA office, which would be headed up by a special counsel nominated by the president and confirmed by the Senate, also would be responsible for assisting the U.S. Justice Department and Federal Trade Commission in reviewing proposed agribusiness mergers.

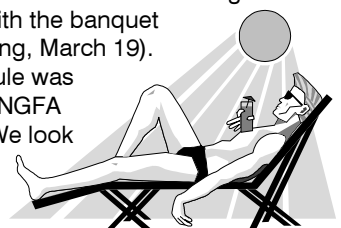
The bill also would stipulate that "any provision of an agricultural contract that requires arbitration of a dispute arising (from the contract) is void." It similarly would deem void any contract that contains a clause that requires that the contract be kept confidential, with the exception of trade secrets.

The agricultural competition sections also would: 1) require firms with sales in excess of \$100 million to file annually a report detailing that firm's domestic and foreign business dealings and alliances; 2) prohibit "discrimination, intimidation and coercion of, or the spreading of false rumors about," producers who are members of or seek to join a producer cooperative association; 3) prohibit any action to prevent the forma-

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Mark Your Calendars: New Dates for NGFA Convention are March 17-20!

As announced via e-mail last month, the dates of the National Grain and Feed Association's 106th annual convention have been changed to **March 17-20, 2002**. The location will remain the spectacular Westin Hilton Head Resort in Hilton Head, S.C. The convention will begin on Sunday afternoon, March 17 (with late afternoon committee meetings and the opening reception that evening). The convention will conclude no later than mid-morning on Wednesday, March 20 (with the banquet scheduled for Tuesday evening, March 19). The new compressed schedule was favored by a vast majority of NGFA members polled by e-mail. We look forward to seeing you next March 17-20 at Hilton Head!





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tion of producer associations; 4) require cover sheets on agricultural contracts that clearly disclose its terms, including the contract’s duration, its termination or renewal provisions, the party responsible for environmental damage, payment factors, and any other term the secretary of agriculture deems necessary; 5) provide a three-day right of review for production contracts (defined in the bill as being a written agreement that provides for the production of an agricultural commodity); 6) mandate a 90-day written notice of termination (and the right of the producer to remedy any possible violations) of any production contract that requires the producer to make a capital investment of \$100,000 or more; 7) authorize USDA to bring civil actions in federal district courts against suspected violators; 8) allow for damages to be sought for violations of the bill in either state or federal court, with a two-year statute of limitations; 9) prohibit any provision in an agricultural contract that requires the application of a law from a location that is outside the state of residence of the producer; 10) require the venue for court proceedings to be located in the state of residence of the producer or the state where the producer’s livestock production facility is located; 11) allow USDA to investigate live poultry dealers; and 12) allow USDA to hire outside counsel to pursue cases involving the Packers and Stockyards Act.

The competition title would also mandate country-of-origin labeling for meat, fish and other perishable commodities at the final point of sale to the consumer, although restaurants and other food service establishments would be exempt. Finally, the language would allow for referenda on check-off programs by affected producers.

Direct and Counter-Cyclical Payments: The commodity provisions of Harkin’s bill would dramatically reduce the level of direct, fixed payments – currently called Agricultural Marketing Transition Act (AMTA) payments – compared to current levels and those envisioned under the House-passed farm bill. Harkin proposes direct payment rates for the 2003 through 2006 crop years totaling 24.7 cents per bushel for wheat; 15 cents per bushel for corn; 25 cents per bushel for soybeans; 17 cents per bushel for sorghum; 17.7 cents per bushel for barley; 12.7 cents per bushel for oats; 0.0057 cents per pound for minor oilseeds; 59 cents per hundredweight for rice; and 4.6 cents per pound for cotton. Direct payments would be issued in December of the year prior to the crop year to which they apply, or in January of the crop year, at the producer’s discretion.

Base acres on which direct payments are made would be based on the four-year average (1998-2001) of planted and prevented-planted acreage. The program yield on which direct payments are based would be the greater

of: 1) the average of the yield per harvested acre for the crop of the covered commodity for the 1998-2001 crop years (excluding any crop year for which producers did not plant the covered commodity and, at the option of the producer, one additional crop year); or 2) the farm program payment yield in effect for the 2002 crop year.

Harkin’s bill also would establish counter-cyclical payments for the 2002 through 2006 crop years based upon targeted, per-acre **revenue**. Under the House-passed bill, the counter-cyclical payments would be made only if the total of the loan rate (or market price, if higher) plus the fixed payment rate was less than the established per-bushel target price. Harkin’s bill would determine the crop revenue per planted acre by multiplying the farm’s total crop production by the higher of: 1) the season average price; or 2) the national average loan rate for the crop divided by the average planted acres. If current-year revenue was less than the target revenue, the difference would be paid to producers based upon their individual share of the total base acres and program yield for the covered commodity.

The target revenue per planted acre called for in Harkin’s bill are: 1) wheat, \$120 per acre; 2) corn, \$270 per acre; 3) soybeans, \$215 per acre; 4) sorghum, \$130 per acre; 5) barley, \$122 per acre; 6) oats, \$46 per acre; 7) rice, \$475 per acre; 8) minor oilseeds, \$133 per acre; and 9) upland cotton, \$360 per acre.

To understand how much additional revenue might accrue to grain and soybean farmers through the counter-cyclical payment mechanism envisioned under Harkin’s bill, in the last 10 years, annual counter-cyclical payments would have averaged 17 cents per bushel for corn, 35 cents per bushel for wheat and 44 cents per bushel for soybeans. Adding these payments to the Harkin bill’s loan and fixed payment rates, **the estimated level of effective government support in the senator’s bill would be \$3.54 per bushel for wheat; \$2.37 per bushel for corn; and \$5.89 per bushel for soybeans.** These figures are derived by adding the loan value, direct payments and historical counter-cyclical payments that would have been made in the last 10 years.

Planting Flexibility and Payment Limits: Harkin’s bill would retain the planting flexibility of current farm law. The maximum payment limit for direct and counter-cyclical payments would be \$100,000 per producer.

Loan Rates: The Harkin bill would set marketing assistance loan rates for the 2002-06 crop years at

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\$2.94 per bushel for wheat, \$2.05 per bushel for corn and \$1.98 per bushel for sorghum, substantially higher than current levels and the levels called for in the House-passed bill. For soybeans, Harkin would set the loan rate at \$5.20 per bushel, compared to the current loan rate of \$5.26 per bushel and the \$4.98 per bushel rate called for in the House-passed farm bill. Harkin's bill would retain the loan deficiency payment (LDP) concept, and would require producers to retain so-called "beneficial interest" (i.e., title and risk of loss) in the commodity to be eligible for loan payments or LDPs.

Harkin's bill also would differ from current law and the House-passed bill by imposing maximum quantity limits on marketing assistance loans and loan payments. The maximum levels would be: 200,000 bushels for wheat and sorghum; 300,000 bushels for corn; 175,000 bushels for soybeans; 240,000 bushels for barley; 100,000 bushels for oats; 75,000 hundredweight for rice; 2 million pounds for minor oilseeds; and 2.3 million pounds for upland cotton.

Conservation: While the NGFA has not obtained the conservation provisions of Harkin's bill yet, it has been informed that it will call for an increase in the Conservation Reserve Program to 40 million acres, compared to the House-passed 39.5 million acres and the current limit of 36.4 million acres.

Commodity and Livestock Organizations Seek Delay in Senate Farm Bill Action: The Oct. 23 letter from the commodity and livestock organizations noted that the Bush administration in recent days had provided assurances that funding exceeding the current budget baseline for agriculture will be available next year. "In light of this commitment, we would support the Senate Agriculture Committee continuing a deliberative process with a goal of reaching Senate passage" next spring on a new farm bill, wrote the organizations. Groups signing the letter were: the American Soybean Association, National Cattlemen's Beef Association, National Corn Growers Association,

National Chicken Council, National Pork Producers Council, National Sunflower Association, National Turkey Federation, United Fresh Fruit and Vegetable Association and the U.S. Canola Association. Among high-profile producer groups advocating passage of a farm bill this year that did not sign the letter are: the American Farm Bureau Federation, National Association of Wheat Growers and National Cotton Council.

But the commodity and livestock group's letter generated the immediate ire of Senate Budget Committee Chairman Kent Conrad, D-N.D., who within minutes after its release took to the Senate floor to denounce the groups for "dereliction of duty" as well as for "not representing" and "doing an enormous disservice to" their members.

The farm organizations' letter followed an Oct. 19 letter to the Senate co-signed by Secretary of Agriculture Ann M. Veneman and White House Office of Management and Budget (OMB) Director Mitchell Daniels, in which the administration said it was "firmly committed" to completing action on the farm bill before it expires in September 2002 and would make funding available if the deliberations resulted in sound policy that provides an effective income safety net for a "broader cross-section of farmers and is pro-trade." The administration letter specifically stated that it was willing to approve the allocation of more than the \$25 billion in new farm program spending over five years that had been reported publicly if it represents "good policy." Congress earmarked up to \$73.5 billion in additional farm program spending over 10 years as part of the non-binding budget resolution approved earlier this year. "Our strong preference is to allow the time required to ensure a thoughtful, thorough approach to a new policy that better serves our farmers and ranchers, helps expand foreign markets, broadens support to more medium and small producers, revitalizes rural America, improves the environment and addresses important infrastructure and nutrition needs," the letter said. "Simply stated, the better the farm policy, the more potential funding could be available." Veneman and Daniels also said it was "both unnecessary and unwise" given the current emphasis on combating terrorism to "act in haste to pass a farm bill...."

House and Senate Farm Bills -- Comparisons of Commodity Provisions

Commodity	Loan Rates (\$ per bushel, exempt where indicated)			Fixed Payment Rate (\$ per bushel, exempt where indicated)			Counter-Cyclical Payments		
	2001	Final House Ag Committee Bill	Harkin Senate Bill	2002 AMTA	Final House Ag Committee Bill	Harkin Senate Bill	1995 Level (\$ per bu.)	Final House Ag Committee Bill (\$ per bu.)	Harkin Senate Bill (\$ per acre)
Wheat	\$2.58	\$2.58	\$2.94	\$0.46	\$0.53	\$0.247	\$4.00	\$4.04	\$120
Soybeans	5.26	4.92	5.20	--	0.42	0.25	--	5.86	215
Corn	1.89	1.89	2.05	0.26	0.30	0.15	2.75	2.78	270
Sorghum	1.71	1.89	1.98	0.31	0.36	0.17	2.61	2.64	130
Barley	1.65	1.65	1.98	0.19	0.25	0.17	2.36	2.39	122
Oats	1.21	1.21	1.30	0.02	0.25	0.12	1.45	1.47	46
Upland Cotton (lb.)	0.5192	0.5192	0.545	0.0554	0.0667	0.046	0.7290	0.7360	360
Rice (cwt.)	6.50	6.50	6.90	2.04	2.35	0.59	10.71	10.82	475
Minor Oilseeds (lb.)	0.093	0.087	0.093	--	0.0074	0.0057	--	0.1036	133



Bush Proposes \$45.2 Million for USDA to Strengthen Biosecurity

The U.S. Department of Agriculture has announced that it has been designated to receive \$45.2 million out of the total \$20 billion in funds requested by the Bush administration in legislation submitted to Congress representing the second tranche of \$40 billion in disaster recovery and security funds enacted following the Sept. 11 terrorist attack.

Included in the requested allocation for USDA are: 1) \$17.2 million to enhance security at USDA facilities; 2) \$14.1 million to design and construct a satellite facility for research activities at USDA's National Animal Disease Center in Ames, Iowa; 3) \$5 million in technical assistance for state, local and federal governments, as well as the private sector, for improving biosecurity; and 4) \$8.9 million in education and training to strengthen USDA's ability to identify and respond to potential food supply threats, improve data collection and dissemination, and other biosecurity activities.

As previously reported by the NGFA, the president's budget proposal also requests an additional \$61 million that would be earmarked for the Food and Drug Administration to hire an additional 410 inspectors, lab specialists and other compliance officials for increased inspections of imported food products. The administration's request also includes an additional \$34.6 million for FDA to expedite work on bioterrorism vaccines, drug therapies and diagnostic tests. The requested allocation for FDA was among the \$1.5 billion requested for the Department of Health and Human Services (HHS), FDA's parent agency.

Importantly, the administration – in an Oct. 17 letter from HHS Secretary Tommy Thompson to House Speaker Dennis Hastert, R-Ill. – also proposed to grant FDA authority to recall potentially contaminated food. The administration's proposed bioterrorism prevention and emergency response bill would give FDA authority to detain for up to 45 days food that poses a threat of serious illness or death during a declared public health emergency. The bill also would authorize HHS to issue regulations on the maintenance and inspection of records for food as a tool to facilitate inspections of food imports and to help determine the cause and scope of serious violations of food safety laws.

USDA/FSA Issues Biosecurity Recommendations: In a related development, the U.S. Department of Agriculture's Farm Service Agency on Oct. 18 issued a one-page letter to warehouse operators "strongly recommending" that they review plant security plans and conduct a prudent risk assessment.

USDA/FSA advised warehouse operators to add a biosecurity component to existing plant security plans that protects the safety of raw grain, processed commodities or food products that the warehouse handles or stores. Security measures could include effective means to protect and identify security breaches, and response procedures – such as contact information with local police and other emergency responders – if a security breach is detected. "These types of preventative actions will reduce the risk of the intentional use of detrimental biological agents," the letter said.

USDA/FSA also advised warehouse operators to "pay particular attention to threats that you may not have considered significant in the past," and specifically advised restricting access to facilities to authorized personnel only.

"USDA is recommending these actions as strictly precautionary measures," the letter said. "We have utmost confidence in the commodity storage system in this country, and we believe that taking these few extra steps will increase the safety of food and feed stocks here and abroad."

Little Named New Head of Farm Service Agency

Secretary of Agriculture Ann M. Veneman announced on Oct. 23 the appointment of James R. Little to be administrator of USDA's Farm Service Agency (FSA). The agency cuts a wide swath, with its responsibilities including farm program, warehouse regulation, conservation programs, and emergency and food aid assistance.

Little, who has been serving as FSA administrator in an acting capacity since the Bush administration took office, has been with USDA for 30 years in various budget and financial management roles. Most recently, he was USDA's associate chief financial officer for financial operations. He also served stints as acting budget director for the Federal Crop Insurance Corp.; deputy director of the Budget Division for the Agricultural Stabilization and Conservation Service (ASCS), FSA's predecessor; deputy director and director of the Financial Management Division at ASCS and FSA; and treasurer and controller with the Commodity Credit Corp. A North Carolina native, he has an undergraduate degree from the Virginia Polytechnic Institute and State University (Virginia Tech) in Blacksburg, Va.





U.S. Provides Statement to China on Safety of Biotech Soybeans

The United States this week furnished a statement to the People's Republic of China concerning biotechnology-enhanced soybeans in an effort to resolve the current impasse over the country's new regulations applying to imports of biotech commodities that has essentially shut down its imports of U.S. soybeans.

China announced new agricultural biotechnology rules on June 6 that require safety certification of all domestic and imported biotech crops, as well as labeling of shipments of biotech-enhanced raw commodities and processed products containing biotech ingredients. In mid-October, U.S. Trade Representative Robert Zoellick offered to provide an official USDA statement that U.S. biotech products shipped to China had received regulatory approval from the U.S. government, and were of the same variety planted and marketed in domestic commerce. President Bush also raised the issue during his one-on-one meeting on Oct. 19 with Chinese President Jiang Zemin during the Asia-Pacific Economic Cooperation (APEC) meeting in Shanghai, China.

USDA officials told the NGFA this week such a statement now has been provided to the Chinese attesting that biotech-enhanced U.S. soybeans exported to China are approved for domestic planting and use, and are safe for human and animal consumption, and for the environment. The United States is awaiting a response.

In other biotech-related developments:

Taiwan Reportedly Drops Proposals Calling for Restrictions, Labeling of Imported Biotech Crops:

USDA's agricultural attaché in Taiwan is reporting that the ruling and opposition political parties have agreed to drop two legislative proposals that would have amended the country's food sanitation law in ways that would have essentially banned the importation of foods containing biotech-enhanced ingredients. Under the legislation that had been under consideration, foods containing more than 5 percent biotech content would not have been eligible for commercialization. The other bill would have required mandatory labeling of foods containing biotech ingredients that exceeded a 1 percent tolerance.

In addition, the attaché reported that Taiwan is unlikely to change its current import documentation or inspection procedures to require special documentation for imported biotech-enhanced grains and oilseeds.

Both the Taiwanese Department of Health and the Ministry of Economic Affairs' Bureau of Standards, Metrology and Inspection agreed there were "no food

safety concerns on bioengineered food," the attaché wrote. Therefore, the Taiwanese government plans to conduct labeling inspections only on packaged food products, and there will be no specific import inspections to detect biotech-enhanced varieties at ports of entry, the attaché wrote. However, the Taiwanese Department of Health is urging USDA and grain suppliers to encourage biotech companies to register by April 30, 2002 all biotechnology-enhanced varieties of soybeans and corn marketed in the country. A mandatory biotech food labeling regulation is scheduled to take effect on Jan. 1, 2003, after which foods containing biotech-enhanced soybeans and corn will only be allowed to be sold if the varieties have been registered.

Canadian Parliament Rejects Biotech Labeling

Proposal: In a related development, the Canadian Parliament on Oct. 17 rejected, by a 126-91 vote, legislation that would have required labeling of foods containing more than 1 percent biotech-enhanced ingredients. Canadian Health Minister Allan Rock was the only senior cabinet minister to publicly voice support for the mandatory labeling bill, although he abstained from voting. The bill was advocated by consumer groups and Greenpeace, but was opposed strongly by the Canadian Federation of Agriculture, the country's largest farmer lobbying group.

USDA Announces AMTA Payment Rates for Fiscal Year 2002

USDA has announced the production flexibility contract (AMTA) payment rates that will apply during fiscal 2002. Total contract payments will amount to approximately \$4 billion, USDA said.

The payment rates are as follows:

- wheat, 46.1 cents per bushel;
- corn, 26.1 cents per bushel;
- sorghum, 31.4 cents per bushel;
- barley, 20.2 cents per bushel;
- oats, 2.2 cents per bushel;
- rice, \$2.05 per hundredweight; and
- cotton, 5.72 cents per pound.

Producers will have the option of requesting to receive the payments during any month from October 2001 through August 2002. They also have the option of receiving two payments of 50 percent each, or a single payment.





State Feed Regulators Call for Major Changes in FDA BSE Rule

The Association of American Feed Control Officials (AAFCO) has called for major changes in the Food and Drug Administration's current animal feeding regulations that are designed to prevent the establishment or spread of bovine spongiform encephalopathy (BSE).

AAFCO, which consists primarily of state feed regulatory agencies, was among 21 organizations and individuals – including the NGFA and its strategic partner, the Pet Food Institute – that testified at a day-long FDA public hearing on Oct. 30 in Kansas City, Mo., to review various aspects of FDA's BSE-prevention animal feeding rules. In its testimony, the NGFA urged FDA to retain its existing regulations that are designed to keep the United States free of BSE, commonly referred to as "mad cow disease." The NGFA said that FDA's current restrictions continue to be based on sound science and prudent risk assessment. *[See the enclosed **Issues and Actions** for a complete report on the NGFA's testimony.]*

But AAFCO's testimony encouraged FDA to change its current rules to require that dedicated feed manufacturing facilities and transportation equipment be used to manufacture and ship animal feed that contains mammalian protein prohibited from being used in feed for cattle and other ruminants. AAFCO said its recommendation was based on inspection experience and concerns over commingling and cross contamination of prohibited and non-prohibited mammalian protein, as well as the lack of an FDA tolerance for carryover of trace levels of prohibited mammalian protein in ruminant feed. AAFCO also recommended that FDA require licensing of renderers and feed manufacturers that receive and utilize prohibited mammalian protein. And it advised FDA to consider adopting good manufacturing practices covering "**all potential contaminants**, including the BSE agent for all animal feed and feed ingredients." *[Emphasis added.]* The organization also recommended increased enforcement activities, including expansion to allied industries (such as transporters) and livestock producers.

AAFCO also recommended a change under which pet food sold at retail would be required to bear the BSE caution statement, "Do not feed to cattle or other ruminants," to address concerns that salvage pet food containing prohibited mammalian protein may be diverted illegally to ruminants. And it recommended that FDA require that all animal protein present in feed list the specific species from which the protein was derived. Such a recommendation would have the effect of eliminating AAFCO's so-called collective term for "animal protein products," which allows feed manufacturers to interchange the use of various animal protein ingredient sources that have similar functions within least-cost-formula rations without having to make costly labeling changes to preprinted feed bags or tags.

More than one-third of the organizations or companies testifying at the hearing represented rendering interests, including the National Renderers Association, Animal Protein Producers Industry, and five rendering companies. In its testimony, the National Renderers Association released the results of an economic impact analysis conducted by Sparks Companies that showed: 1) Expanding the ban to prohibit the feeding of all animal protein to ruminants would have a \$100 million per year cost impact; 2) Expanding the ban to include ruminant protein and blood products to all species would have an annual economic impact of \$636 million; and 3) A total animal protein ban would have an annual economic impact of \$1.519 billion.

BSE Rule Compliance Improving

At FDA's Oct. 30 public hearing on its BSE-prevention rule, the agency's Center for Veterinary Medicine released an update on its compilation of inspection data that show improving compliance. As of Oct. 26, FDA's **cumulative** inspection data – including all inspections dating to 1997 – now show that of 10,018 inspections, 13 percent of the firms were not in compliance with one or more aspects of the rule, down from the 22 percent figure reported as of July 6. Of 1,719 reinspection reports, 6 percent were still out of compliance, compared to the 10 percent violation rate reported in July.

For **licensed feed manufacturers**, FDA said of approximately 34 percent of firms using prohibited mammalian protein, **cumulative results** show 10 percent were out of compliance with one or more aspects of the rule. Six percent had products that were improperly labeled, while 6 percent did not have adequate written clean-out or sequencing procedures to prevent commingling. One percent did not have adequate records.

For **non-licensed feed manufacturers**, of approximately 30 percent of firms using prohibited mammalian protein, **cumulative results** show 16 percent were out of compliance with one or more aspects of the rule. Nine percent had products that were improperly labeled; 6 percent did not adequately follow the recordkeeping requirements; and 5 percent did not have adequate written clean-out or sequencing procedures to prevent commingling or cross contamination.

For **renderers**, of approximately 75 percent of firms handling prohibited mammalian protein, **cumulative results** show that 7 percent were out of compliance with one or more aspects of the rule. Five percent did not properly label the product; 3 percent did not have adequate systems to prevent commingling or cross contamination; and 1 percent did not adequately follow the recordkeeping requirements.





OSHA Formally Announces One-Year Delay in Hearing Loss, Ergonomic Injury Recordkeeping Requirements

The Occupational Safety and Health Administration (OSHA) formally announced on Oct. 12 that it is delaying – until at least Jan. 1, 2003 – implementation of its previously announced new criteria for reporting work-related ergonomic injuries and hearing losses experienced by employees.

Concerning the hearing-loss reporting issue, OSHA is reevaluating whether to require employers to report as a “hearing loss” any employee whose hearing test (audiogram) reveals that a standard threshold shift of an average or 10 decibels or more has occurred at 2,000, 3,000 and 4,000 hertz in one or both ears. In the interim, employers will be required to record occupational hearing loss exceeding 25 decibels in either ear at those three hertz levels, which is the current standard, OSHA said.

OSHA announced in July that it had received information that indicated that the 10-decibel threshold is an unreliable indicator of work-related hearing loss, and requested public input. The NGFA submitted a statement to OSHA supporting the one-year delay and urging that the agency retain its current 25-decibel threshold as the most reliable criterion for recording occupational hearing loss.

Also delayed for one-year pending the outcome of OSHA’s review of its ergonomics rule is the requirement that employers report work-related musculoskeletal disorders (MSD) and check the MSD column on the “OSHA Log of Work-Related Injuries and Illnesses” (the OSHA Form 300) and the OSHA Form 300A (“Summary of Work-Related Injuries and Illnesses”).

The agency still is in the process of determining the best approach for addressing workplace ergonomic hazards, and is revisiting its definition of an MSD injury. In the interim, OSHA says that employers should continue to record ergonomic-type injuries by checking the column for “injury” or “all other illnesses,” depending upon the circumstances of the case.

New OSHA Recordkeeping Forms Available on

Internet: The Occupational Safety and Health Administration has posted on its web site copies of its new recordkeeping forms that are to be used for recording workplace injuries and illnesses starting on Jan. 1, 2002. The forms have been revised to delete the columns for

reporting employee musculoskeletal disorders (ergonomics) and hearing loss, consistent with the agency’s decision to delay implementation of these requirements pending further review. OSHA said instructions accompanying the forms also have been modified to reflect requirements that take effect in calendar year 2002.

For calendar year 2001, employers are to continue using the existing OSHA Form 200 log, and are to post in the workplace the summary report for illnesses and injuries during the period Feb. 1, 2002 to March 1, 2002.

The changes to the recordkeeping rule and forms that take effect on Jan. 1, 2002 reflect an effort begun by OSHA in the 1980s to improve how the government tracks occupational injuries and illnesses. Under the recordkeeping rule, all employers are to report any workplace incident that results in a fatality or hospitalization of three or more employees. Otherwise, employers with fewer than 10 full-time employees during a calendar year are not required to maintain OSHA injury or illness reports unless OSHA or the Bureau of Labor Statistics informs them in writing to do so. Under the standard, employers are to record workplace injuries and illnesses that: 1) are work-related; 2) represent a new case; or 3) meet specific recording criteria (such as a death or injury that results in days away from work, or medical treatment beyond first aid).

The three new reporting forms are: 1) the OSHA Form 300 (“Log of Work-Related Injuries and Illnesses”), which is to be used to classify work-related injuries and illnesses, and to note the extent and severity of each case; 2) the OSHA Form 300A (“Summary of Work-Related Injuries and Illnesses”), which is an annual summary taken from the OSHA Form 300; and 3) the OSHA Form 301 (“Injury and Illness Incident Report”), which is to be completed within seven days of receiving information on a recordable work-related injury or illness that has occurred. The new inspection forms and instructions on how to fill them out are available on OSHA’s web site at: <http://www.osha-slc.gov/recordkeeping/OSHArecordkeepingforms.pdf>. Additional information and materials on compliance with the new recordkeeping requirements are available at: <http://www.osha-slc.gov/recordkeeping/index.html>.



Membership Matters



Remember the Foundation!

Research and education that provides broad industry-wide benefits.

That has been the mission of the National Grain and Feed Foundation since its inception in 1965. Over the years, several Foundation projects have resulted in significant benefits to the industry: feed quality assurance videos; risk management education; Clean Air Act research that saved the industry millions of dollars; the landmark *U.S. Agriculture 20/20* project that laid the groundwork for abolishing annual acreage-idling programs as a feature of farm policy; and many more. In addition, the NGFA's Fire and Explosion Research Council (FERC), which has performed groundbreaking research and education that has saved many lives and millions of dollars of damage, now is housed within the Foundation.

This year's much-needed research study by the ProExporter Network that documented the importance of agricultural trade continued a long string of truly important work performed by the Foundation. A public education component of the project even now is shaping congressional deliberations on trade.

The Foundation will continue to play a key role in our industry's future success. To that end, we are looking to develop a much broader and deeper pool of contributors to the Foundation. Several types of gifts can be made to the

Foundation: 1) cash donations, the most common type of gift; 2) real property, such as real estate or appreciated stock; and 3) bequests, consisting of contributions from industry friends as part of their estate planning.

The Foundation relies on corporate and individual contributions from our industry to undertake worthy projects. And as a Section 501(c)(3) organization, all donations to the Foundation are fully tax deductible.

What You Can Do: With the end of the year nearing, many individuals and companies are finalizing charitable giving plans for 2001. As you consider many worthy causes, please remember the National Grain and Feed Foundation and its importance to our industry's future. And as you engage in estate planning, don't forget that a bequest to the Foundation is a fitting memorial. You soon will be receiving a special report on the Foundation. Please review it, and carefully consider investing in the future of the industry through a gift to the Foundation.



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