NGFA Newsletter

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Budget Agreement to Expedite Consideration of New Farm Bill

…Additional $73.5 Billion Earmarked for Agriculture Over Fiscal 2002-2011 Period…

An agreement reached today by House and Senate negotiators on a new spending and revenue blueprint is likely to expedite consideration of a new farm bill by Congress this year.

House and Senate budget negotiators agreed to a new budget guideline (H. Con. Res. 83) for fiscal years 2002 through 2011 that includes a substantial increase in spending for agriculture – an additional $73.5 billion in spending over the current "baseline" level of $89.5 billion – thereby totaling more than $163 billion in agriculture spending over the over the 2002-11 period. In addition, the new budget agreement permits an additional $5.5 billion in agricultural program spending for the current 2001 fiscal year.

Under the terms of the budget resolution, the $73.5 billion in additional money for fiscal years 2002-2011 is to assist in financing the new farm bill, and can be used in any amount during any of those fiscal years. There are no maximum annual spending limits.

The major incentive for the Agriculture Committees to act on farm legislation this year is that Congress will consider another budget resolution next year. There are no guarantees that the new money allocated to agriculture in this year's budget accord will be retained next year if the committees have not established a marker on how much their recommended policy changes will cost.

The budget resolution is a non-binding document that sketches out the parameters of federal taxation and spending. It does not carry force of law, but the appropriations committees draft annual spending legislation based upon the amounts contained in the resolution.

In a briefing at the House Agriculture Committee this afternoon that was attended by the NGFA, committee staff members said it was the goal of Chairman Rep. Larry Combest, R-Texas, to have the committee complete action on a new farm bill before the August congressional recess. Meanwhile, ranking committee member Rep. Charles W. Stenholm, D-Texas, has urged the Bush administration to submit a farm bill proposal soon.

The House Agriculture Committee is expected to develop an initial working draft of a new farm bill by the end of May. While it is uncertain how many sections of the new farm bill will be completed by the House Agriculture Committee this year, it is certain that it will include at least the provisions for farm program commodities.

The outlook for action on a new farm bill in the Senate is more uncertain, although it is likely that the Senate Agriculture Committee will begin hearings this summer. Senate Agriculture Committee staff members currently are examining different policy options.

Three years of low commodity prices and multi-billion dollar emergency relief bills, and a recent surge in farm input and energy costs have resulted in calls by a host of farm and commodity groups to rewrite the 1996 farm law. The House Agriculture Committee concluded its series of hearings with producer and commodity groups today.

➧ **National Farmers Organization:** Today, the National Farmers' Organization urged Congress to create a strategic food security system, under which producers would be paid to store commodities during periods of surpluses. Similar to the old farmer-owned reserve, the NFO called for the establishment of specified "trigger levels" which, when reached, would allow the commodities to be released onto the market.

The NFO also called for a "flexible fallow program," under which producers would receive increased farm program payments in exchange for voluntarily idling a percentage of their crop acreage. But the NFO did not support an expansion of the Conservation Reserve Program. In addition, the NFO called for replacing the current marketing loan program and loan deficiency payments with a price support loan program.

➧ **National Corn Growers Association Urges End to Marketing Loan Program:** During its April 25 testimony before the House Agriculture Committee, the National Corn Growers Association recommended that the new farm bill replace the current nonrecourse marketing loan and loan deficiency payment program with a nine-month recourse loan program, under which producers would be required to repay the loan and interest at

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by Randall C. Gordon
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CCC to Begin Third-Party Sales of Grain, Oilseed Inventories on May 21

The U.S. Department of Agriculture has announced that it will make its existing inventories of feed grains, wheat, rice and oilseeds available for third-party cash sales effective May 21.

In a notice (BCD-4) dated April 20, USDA said it encourages storing warehouse operators to purchase the inventories at any time. Excluded from the sales will be CCC inventories that are committed to statutory reserves or program uses, such as the Food Security Reserve. CCC said commodities will continue to be sold on a cash basis and released in-store at the point of origin. For sales made in-store to third-parties, USDA said the storing warehouse operator will be "expected to load out…the number of bushels per day specified in the Uniform Grain and Rice Storage Agreement contract with CCC, including unit train load-out rates applicable to CCC." As in the past, CCC will not pay load-out charges or storage charges that have accrued after the loan maturity date.

For newly forfeited loan collateral, USDA said CCC will continue to allow storing warehouse operators exclusive rights to purchase the commodities for 10 business days after forfeiture before sending the warehouse receipts from the Farm Service Agency county office to the Kansas City Commodity Office for sale. USDA said CCC would not pay receiving charges if the loan collateral is purchased immediately after forfeiture through the FSA county office. Warehouse operators will continue to be responsible for contacting their local FSA offices to determine which warehouse-stored loans have been forfeited and for information on which warehouse receipts remain in the possession of the FSA county office.

Canada Considering Mandatory Biotech Labeling Legislation

The Canadian House of Commons on May 7 is scheduled to conduct a first reading of legislation that would require labeling of all foods or food ingredients that contain more than 1 percent biotechnology-enhanced components.

Officials at the Grocery Manufacturers of America, which actively is opposing the bill with its Canadian food industry counterparts, said that while the bill is not expected to become law, it will receive three hearings and a possible committee debate later in the year.

The bill would require labeling and traceability of all biotech ingredients in foods. "Every person" contracting to purchase any food for the purpose of manufacture, processing, distribution, packaging or sale at wholesale or retail would be required to obtain a certificate stating that the product will be properly labeled, as well as "all documents" evidencing whether the product or its ingredients have been "genetically modified." The label would be required to state whether the product "contains an ingredient that is genetically modified" and which food or ingredient is derived from the "genetic modification."

The bill also would require the Canadian government to conduct research on: 1) "the general long-term effects of consumption of genetically modified food on human health; 2) the possibility of unexpected gene interaction in genetically modified foods; 3) the possibility of novel genetic, biomedical, immunological or toxicological hazards arising from the consumption of genetically modified foods; and 4) long-term animal feeding trials involving genetically modified feed."

CFTC Reviews Technology Issues

On May 2, the Commodity Futures Trading Commission's Technology Advisory Committee met in Washington to discuss emerging technology issues related to regulation of markets.

In one presentation, the CFTC's staff stated that one outstanding issue for regulators to determine is: "when is the trading facility in the United States (and thus subject to CFTC oversight)?" One member of the committee cautioned the CFTC against pursuing this philosophy toward regulation, because with Internet trading and with trade-matching computers frequently being located in different states or countries that are different from the clearing function, the issue of who is, or should be, under the CFTC's regulatory jurisdiction will become more and more nebulous.

Former CFTC Chairman Phil Johnson raised some questions about the agency's recent proposals to authorize an intermediate level of regulation. While praising the move toward deregulation, Johnson recommended that the CFTC consider how the traditional self-regulatory model for exchanges fits into the new electronic trading world. Johnson's thesis was that because intermediaries have had ownership and income stakes in existing physical exchanges, self-discipline was rather simple to pursue. It was in all parties' interests to deal quickly with disputes, he said. But with new electronic platforms, many of which are designed to eliminate the intermediary and allow easy entry, the new "exchanges" will be more loosely linked, he said. Johnson warned that violators may have a tendency to "resign" from exchanges rather than face punishment for alleged violations. Johnson said that the CFTC has existing authority to address this matter.

("Farm Bill" continued from page 1)

maturity without the option of forfeiting the loan collateral to the Commodity Credit Corporation. The corn growers also called for the fixed AMTA payments to continue at 2002 levels for the duration of the next farm bill.

The corn growers also called for a countercyclical income support program that would operate as follows:

1. USDA would determine a "national target income" for all loan-eligible commodities. This figure would be determined by adding the market income from each crop for 1996-2000 to the marketing loan benefits for the same period, then adding any marketing loss assistance payments. This figure would be divided by five, and multiplied by an adjustment factor that would include any increase in yields for the current crop year.
2. Producers then would determine their share of the target income by totaling their actual production of the particular crop during the 1996-2000 base years, then dividing by five to determine their number of eligible bushels. The resulting figure would represent their base unit.
3. USDA then would determine the difference between the target price and market price for the commodity. Specifically, USDA would multiply the expected production for the current crop year by the average market price for the first three months of the current marketing year. If the amount of income for the crop was less than the target income, then the difference would represent the income shortfall.
4. USDA then would determine the amount of countercyclical payments to be received by each producer by multiplying the shortfall figure by the total number of producer base units, then dividing that number by each individual producer's base unit.

The corn growers organization maintained that its approach to countercyclical payments would comply with the World Trade Organization's rules, and thus would not count against the spending limits on market-distorting programs agreed to in the Uruguay Round. Under those rules, a nation can spend unlimited amounts on farm support as long as the programs are not dependent upon current prices or production. There are limits on how much a nation can spend on programs that are coupled to current prices or production. The U.S. currently is spending $17.5 billion in market-distorting supports annually, including marketing loans and LDPs, compared to its $19 billion per year limit.

The corn growers also said that its proposed countercyclical program would end the difficulties that arise because of anomalies in USDA-determined posted county prices under the current marketing loan program. It also would limit incentives for producers to "plant for the loan program," because their countercyclical support would be based on 1996-2000 plantings, not the current crop year. Thus, producers would retain full planting flexibility. The program also would reduce the rate of amortization of government support into land prices, the corn growers said.

The corn growers organization also urged more funding for research, conservation and transportation. It also supported continued humanitarian food assistance programs (including P.L. 480), continuing the Export Credit Guarantee Programs, and increased funding for the Market Access Program.

The corn growers also urged reauthorization of "fast track" trade negotiating authority for the president, and renewal of China's normal trade relations status.

House Subcommittee Examines Rail Issues

There was a consensus that more funding is needed for rail track improvements, particularly for shortlines, during an April 25 hearing conducted by the House Transportation and Infrastructure Committee's Subcommittee on Railroads.

Under the Transportation Equity Act for the 21st Century, enacted in 1998, Congress created a program called the Railroad Rehabilitation and Improvement Financing Program. This entity provides direct loans and loan guarantees for railroads to acquire or rehabilitate rail facilities and infrastructure.

But under current regulations, railroads are not eligible to apply for such loans unless their loan application previously has been rejected by a lender in the private sector – a requirement that has generated opposition from some in Congress and among shortline rail carriers and their rail user customers. Legislation (H.R. 517) now has been introduced that would eliminate that requirement from the loan program.

Mark Lindsey, acting deputy administrator of the Department of Transportation's Federal Railroad Administration, defended the requirement as a method for ensuring that the private sector has the first opportunity to make the loan. Meanwhile, Association of American Railroads President Edward Hamberger voiced support for an alternative bill (H.R. 1020) that would provide $350 million annually for three years to enable small railroads to upgrade their infrastructure. He said this was especially important given the advent of 286,000-pound railcars, which are too heavy for many short-line tracks. Frank Turner, president of the American Short line and Regional Rail Association, said that unless shortline carriers were able to secure capital to upgrade tracks, many would be "cut off from the nation's mainline railroad system," which would handle heavy-density traffic comprised of the new 286,000-pound cars.

by Randall C. Gordon
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South Dakota Enacts BSE Law; Proposes New Regulations on Feed

South Dakota has become the first state to enact a law on bovine spongiform encephalopathy imposing additional requirements on manufacturers of feed and feed ingredients beyond those contained in the Food and Drug Administration's regulations.

The South Dakota Legislature enacted the bill last month on the last day it was in session. The law (SDCL 39-14) requires that all ruminant livestock feed manufactured or distributed within the state be labeled as to whether it was produced in a facility that handles or stores prohibited mammalian protein. By including the phrase "handles or stores," the law has raised concern that, if interpreted literally, it could require additional advisory labeling of ruminant feed manufactured at feed mills whose only source of prohibited mammalian protein may be contained in pet food intended for wholesale or retail sale that is present at the facility.

But the South Dakota Department of Agriculture has exceeded this statutory requirement in developing proposed regulations that, among other things, would:

- prohibit facilities that manufacture ruminant feeds for distribution or their own use from receiving, storing or handling prohibited mammalian protein in the feed manufacturing facility or other areas. Under this regulation, mills that manufacture feed for multiple species (including ruminants) would be banned from handling ruminant-derived protein. The proposed rule also would prohibit retail feed stores that distribute feed for multiple species and/or pet food from storing such products in the same building. And the inclusion of the phrase "for their own use" implies that the South Dakota Department of Agriculture envisions enforcing the provision on out-of-state feed manufacturing facilities and on-farm ruminant feeding operations;
- prohibit persons that transport or store ruminant livestock feeds for further distribution or for their own use from handling prohibited mammalian proteins in any distribution equipment or storing such proteins in the same building with ruminant feed. This proposed rule would require bulk or bagged ruminant feed to be hauled in dedicated transportation conveyances. Further, a draft compliance policy guide prepared by the South Dakota Department of Agriculture stipulates that bagged pet food or non-ruminant feed could not be hauled in the same truck (including the farmer's pickup truck) unless it was stored separately. In situations in which the farmer picks up both ruminant feed and pet food at the same time, the South Dakota guidance manual states, "…it may be necessary to put the dog food in the tool box or pickup cab, or pick it up at a different time"; and
- prohibit wholesale or retail distributors of packaged feed products from reclaiming accidental spills of feed that contain prohibited mammalian protein.

The NGFA has developed a written statement in cooperation with the South Dakota Grain and Feed Association and the Pet Food Institute strongly opposing the proposed rule, and is scheduled to testify at a May 7 hearing on the issue in Pierre, S.D. *[See the enclosed edition of **Issues and Actions** for information on the industry statement.]*

USDA Prepared to Compensate Producers for FMD Livestock Losses

The U.S. Department of Agriculture has announced that it is prepared to compensate producers for the "fair market value" for livestock losses if there is ever an outbreak of foot-and-mouth disease in the United States.

During an April 26 hearing by the House Agriculture Appropriations Subcommittee, Secretary of Agriculture Ann M. Veneman said details of the compensation program still are being developed. She also emphasized that the compensation plan is part of overall contingency planning underway within the U.S. government to ensure that adequate resources are available if an emergency situation ever occurred. Veneman noted that USDA has begun hiring 400 new inspectors and doubling the size of its canine inspection teams. She also noted that she has authorized an additional $32 million to hire 360 more inspectors and reassigned 200 to critical ports of entry.

USDA also announced that it has implemented a ban on the importation of susceptible animals and animal products (primarily cattle, swine and sheep) produced on or after March 23 in Uruguay following that country's April 25 announcement that it had confirmed two cases of foot-and-mouth disease in cattle. Products already enroute to the United States will be held at the port of entry, where they either will be reexported or incinerated, USDA said.

by Randall C. Gordon
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House Committee Chairman Solicits Information on BSE-Prevention

Rep. W.J. "Billy" Tauzin, R-La, is soliciting detailed information from three separate government agencies on efforts designed to prevent the introduction or spread of bovine spongiform encephalopathy (BSE) in the United States.

The requests were contained in separate letters dated April 16 to the Food and Drug Administration, U.S. Department of Agriculture and the U.S. Customs Service.

Requests of FDA: In the letter to FDA, Tauzin asked the agency to explain how the additional $15 million in funds requested for fiscal year 2002 for BSE-prevention efforts would be used to "protect consumers against BSE" and "ensure 100 percent compliance" with the agency's BSE-prevention regulations. He also asked FDA to provide the following data as of April 16: 1) a list of all identified renderers, protein blenders and feed mills that remain uninspected for compliance with the BSE rule; 2) a list of feed mills, renderers and protein blenders that did not comply with the agency's labeling and cross-contamination-prevention requirements for prohibited mammalian proteins; 3) the results of reinspections performed of facilities previously found to be out-of-compliance; 4) copies of all warning letters issued to companies concerning alleged violations of FDA's BSE-prevention rule; and 5) an explanation of the agency's legal authority for issuing import alerts and bulletins designed to prevent the importation of animals or animal proteins from BSE-suspect countries.

Requests of USDA: In his letter to USDA, Tauzin asks for information on: 1) how its fiscal year 2002 budget request will be used to protect against BSE; 2) its legal authority to bring enforcement action; 3) "creative" methods allegedly being used by some "brokers/importers" to disguise shipments of animals or animal products from BSE-suspect countries; and 4) USDA's views on the current exemption provided by FDA for restaurant "plate waste" from coverage under its BSE-prevention rule. Tauzin also requested information from USDA on certain slaughtering practices, including advanced meat recovery methods and the use of pneumatic stunning devices. He also requested updated data on diagnostic tests on the brains of suspect cattle to detect the presence of BSE.

Requests of Customs Service: In his letter to the U.S. Customs Service, Tauzin also requests information on how its fiscal year 2002 budget request will be used to protect against the entry of BSE, the categories of imported at-risk materials that potentially could be infected with the BSE agent, its legal authority to take enforcement action against such products and its contingency plans if BSE or variant Creutzfeldt-Jakob disease is ever detected in the United States. He also asks the Customs Service to identify areas of potential or actual vulnerabilities of U.S. import controls for BSE, as well as actions taken to address them.

From the Pellet Mill

FDA Updates BSE Inspection Data: The Food and Drug Administration's Center for Veterinary Medicine reported that as of April 10, inspections have been completed of 10,725 facilities (representing 10,416 companies) for compliance with the agency's rule that prohibits the feeding of prohibited mammalian protein to cattle or other ruminants.

Importantly, of 186 reinspections done of facilities previously found to be in violation, only one (a rendering plant) still was out of compliance.

Since the rule took effect on Aug. 4, 1997, FDA/CVM said it has sent 15 BSE-related warning letters and issued recall orders for 31 different products. Sixteen of the recalled products were manufactured by a single firm. Dunnavan said most of the warning letters and recalls were issued because the product failed to contain the BSE caution statement, "Do not feed to cattle or other ruminants," either because the manufacturer was not aware that an ingredient contained in the product was a prohibited mammalian protein or because of cross-contamination. Sixteen of those recalled products were from a single firm.

The following is a breakdown of the cumulative inspection data by establishment category:

- **Licensed Feed Mills**: Of the estimated 1,240 licensed feed mills, 1,169 have been inspected. Of those, 434 were handling prohibited mammalian protein while 735 were not. Of the 434 facilities handling prohibited material, 363 were in compliance with the requirement to affix the caution statement, while 71 were not; and 430 maintained the required business records (four did not). Of the 308 facilities that separated prohibited and non-prohibited mammalian proteins, 270 were in compliance with the requirement to have written procedures in place to prevent commingling or cross contamination, while 38 were not.

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("From the Pellet" continued from page 5)

- **Non-Licensed Feed Mills:** A total of 5,223 non-licensed feed mills have been inspected. Of those, 2,010 were handling prohibited mammalian protein while 3,213 were not. Of the 2,010 facilities handling prohibited material, 1,364 were in compliance with the requirement to affix the caution statement, while 646 were not; and 1,926 maintained the required business records (84 did not). Of the 1,618 facilities that separated prohibited and non-prohibited mammalian proteins, 1,263 were in compliance with the requirement to have written procedures in place to prevent commingling or cross contamination, while 355 were not.

- **Renderers:** Of the estimated 260 rendering plants, 245 have been inspected. Of those, 185 were handling prohibited mammalian protein while 60 were not. Of the 185 facilities handling prohibited material, 162 were in compliance with the requirement to affix the caution statement (23 were not) and 181 maintained the required business records (four did not). Of the 76 facilities that separated prohibited and non-prohibited mammalian proteins, 64 were in compliance with the requirement to have written procedures in place to prevent commingling or cross contamination.

Consumer Confidence in U.S. Beef Safety Remains Strong: The latest in a series of independent public opinion surveys conducted since 1996 by Wirthlin Worldwide for the National Cattlemen's Beef Association has found that consumer confidence in the safety of U.S. beef remains strong despite an increased public awareness of bovine spongiform encephalopathy (BSE).

In the latest survey, conducted from April 6-9, U.S. public awareness of BSE reached its highest level on record – 93 percent. The previous high was 86 percent reached in April 1996. Public awareness actually had declined to 58 percent as recently as December 2000 before increasing to 81 percent in February 2001 with the more recent visibility of the issue in the United States. Yet, overall consumer confidence in the safety of U.S. beef stood at 85 percent in April 2001, compared to 87 percent in February 2001 and 82 percent in December 2000. The survey has a 3.2 percent margin of error.

However, there were two troubling findings in the latest survey that seem to run counter to the findings on overall public attitudes on the safety of U.S. beef: 1) 48 percent of women and 28 percent of men reported they were eating less beef; 2) Of this segment of the U.S. population, 16 percent said they were consuming less beef because of concerns over "mad cow" disease.

AAFCO Board Provides Guidance on Consideration of Botanicals, Herbs in Feed: The Board of Directors of the Association of American Feed Control Officials (AAFCO) has provided guidance to one of its committees concerning how to proceed with its consideration of various botanicals and herbs being touted for use as ingredients in feed and pet food. Such products include echinacea, devil's claw, raspberry, ginkgo, ginseng, milk thistle, nettle and yucca.

AAFCO, the professional organization of state and federal feed regulatory officials, worked with the Food and Drug Administration to develop a time-honored procedure under which feedstuffs and feed ingredients are not legally approved for use unless they have undergone an ingredient-definitions process, which includes an FDA safety review and a regulatory product investigation.

To address the burgeoning area of botanicals and herbs, many of which are unregulated human dietary supplements, AAFCO established a committee (on which the NGFA serves) that is serving in the role of a product investigator and which has identified what are believed to be the 22 most commonly used botanicals and herbs being advocated for use in feed and pet food.

During its recent meeting, the AAFCO Board directed that the committee identify three to four botanical or herbal ingredients that are believed to have the strongest possibility for FDA review based upon safety data collected thus far. It also advised the committee to then notify potential sponsors of the ingredients (which could be a company, individual or association) to formally submit the ingredient and required backup information (including safety data) to AAFCO's Ingredient Definitions Committee for review and approval. The AAFCO Board said it would "not grant any leniency regarding intended use of an ingredient. If a proposal is made for an ingredient to be approved for use as a flavoring agent, that ingredient will be approved for use as a flavoring agent only, not for any other purpose. All drug use (real or implied) must still be addressed and approved by FDA." The AAFCO Board also "strongly discouraged the idea of gaining approval for any botanical or herbal ingredient as a flavoring agent if the (real) intended use of the ingredient is for medicinal purposes."

As many as 250 herbal ingredients were listed as generally recognized as safe (GRAS) or self-affirmed as GRAS by Congress under a law passed in 1958 when used as a flavoring agent in humans. FDA has said that such products also can be used as a flavoring agent in feed so long as they are not toxic if used for certain animal species, and are appropriately labeled and produced according to good manufacturing practices.

by Thomas C. O'Connor
Director of Technical Services

OSHA's Recordkeeping Rule Challenged

The National Association of Manufacturers (NAM) has filed suit against the Occupational Safety and Health Administration's (OSHA) new recordkeeping rules, arguing that they exceed the agency's statutory mandate and were drafted with the now-repealed ergonomics regulations in mind.

On Jan. 19, one day before President Clinton left office, OSHA issued its comprehensive revision of its recordkeeping rules *[29 CFR 1904]* that included amended recordkeeping criteria for ergonomic injuries and hearing loss, and new forms for recording workplace injuries and illnesses.

In its recent petition to the federal court, NAM urged the court to direct that OSHA rescind the rule change immediately. In particular, it said OSHA exceeded its statutory authority because the new rules would require employers to record injuries and illnesses that have "no or insufficient relationship to the workplace." For example, NAM argued that the new recordkeeping rules would require employers to record nonwork-related injuries or illnesses that cause the employee pain while working. NAM also said that the new rules would require employers to record most, if not all, preexisting employee conditions as work-related "despite any real connection between the preexisting condition and the workplace." The rules also would require recording workplace violence as work-related "even if the event was completely outside the employer's control." In addition, NAM argued that OSHA's requirement to regard hearing loss exceeding 10 decibels(A) as an illness was excessive because such hearing loss is not considered a material impairment by the medical community, by state workers compensation programs or in applicable OSHA standards.

The manufacturer's association also said OSHA exceeded its statutory authority because it included unrelated requirements. It also claimed that the new recordkeeping rules would be counterproductive by producing less useful and poorer-quality information on injuries and illnesses and seriously complicating the recording system for employers. Finally, the new rules would violate the due-process clause of the Fifth Amendment to the U.S. Constitution because they are vague and lack clear standards for employer actions, NAM said.

The new recordkeeping rules are scheduled to take effect on Jan. 1, 2002. The AFL-CIO has filed suit in the federal court in support of OSHA's new rules. OSHA is scheduled to file its initial response to the NAM suit by the end of May. But there are reports that OSHA and the employer community may be moving toward a settlement prior to that time. The NGFA is closely following developments in the case.

Tech Tidbits

Labor Secretary Outlines Principles to Guide Future Ergonomics Rulemaking: Secretary of Labor Elaine Chao told a Senate hearing on April 23 that the department will place greater emphasis on injury reduction, injury prevention and clarity in any future rulemaking to develop ergonomic standards. On the same day that OSHA formally rescinded its ill-fated ergonomics rule developed by the Clinton administration (and overturned by Congress) Chao laid out the following principles to guide any future ergonomics rulemaking: 1) place greater emphasis on preventing injuries before they occur; 2) base any approach on sound science; 3) emphasize cooperation between employers and OSHA; 4) avoid a one-size-fits-all approach; 5) ensure that final rules are feasible; and 6) include short, simple and common sense instructions in the final rule. She also urged Congress not to set any artificial deadlines for completing a new rule.

GIPSA Issues Rules for Certifying Wheat Protein: The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) has issued a notice (GIPSA Program Notice FGIS-PN-01-3) providing directions for certifying wheat protein content on any specified moisture basis requested by the applicant, in addition to certifying results on the current 12 percent moisture base. The new policy took effect May 1. The new rules contain instructions on converting official protein results on a 12 percent moisture basis to an alternate basis for submitted samples, single lot samples and sublot testing. The notice also contains the official certification statement that should be used when reporting protein only on a 12 percent basis or when reporting protein on a 12 percent and the specified alternative moisture basis.

GIPSA Issues New Policy Regarding Waivers for Requesting Reinspection/Appeal Inspection Services: GIPSA also has amended its regulations governing waivers of the time limit for requesting reinspection and appeal inspection services for domestic grain shipments. In Program Notice FGIS-PN-01-1, the agency said that requests for review inspections must be provided within three days of the original inspection or previous inspection when the carrier has not been shipped. Requests for review inspections after three days when the carrier has not been shipped will be dismissed. However, the agency will provide a new original inspection based on a new sample after five business days from the last official inspection. Should the carrier be shipped, the agency said, it will provide review inspection based on a file sample without a time limit if a written request from all interested parties is received and a representative file sample is available.

Membership Matters

by Todd Kemp
Director of Marketing

Time to Fire Up the Membership Machine!

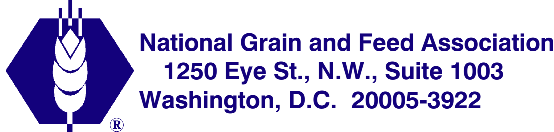
. . . Good Reasons to Contact Your Prospect Now! . . .

Okay, we've all had a month off following the big membership push prior to the NGFA annual convention. Now, it's time to dust off your prospect lists and hit the recruiting trail again!

Need a good reason to call or e-mail your prospect? Here are several:

- Invite your prospect to attend the **Seminar on Trading, Trade Rules and Dispute Resolution** later this month in St. Louis, Mo. This is an important seminar for members and nonmembers alike who need to stay current on the major rewrite of the Grain Trade Rules and Feed Trade Rules; make sure their contracts are appropriately structured concerning delivery of biotechnology-enhanced commodities; and learn more about how e-commerce will affect your business practices and contracting procedures. ***Want to help your trading partners avoid mistakes that could lead to disputes?*** Here's a great tool. And member registration rates are $90 cheaper than nonmember rates!
- Invite your prospect to attend next month's **Feed Quality Assurance Workshop** in Louisville, Ky. This workshop provides a comprehensive approach to establishing or improving a quality assurance program for feed manufacturers. How much do members save? It's $150 that can be applied toward their membership dues if they join now!
- The new **Trade Rules booklets** now are available for purchase. Again, with the major revisions that just recently took affect, companies – including nonmembers – that reference NGFA Trade Rules in their contracts should have a current copy. The member rate is only $8 each (or $6.50 per copy if ordering five or more), compared to $50 for nonmembers; it adds up, particularly if you're buying multiple copies.

So do a little Spring cleaning of your Rolodex, your address book, your telephone log and such. Dust off the number of that prospect you've been thinking should be an NGFA member. And begin making it happen today!



TIME SENSITIVE