

Self-Employed Country

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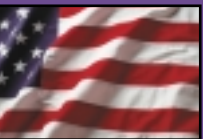
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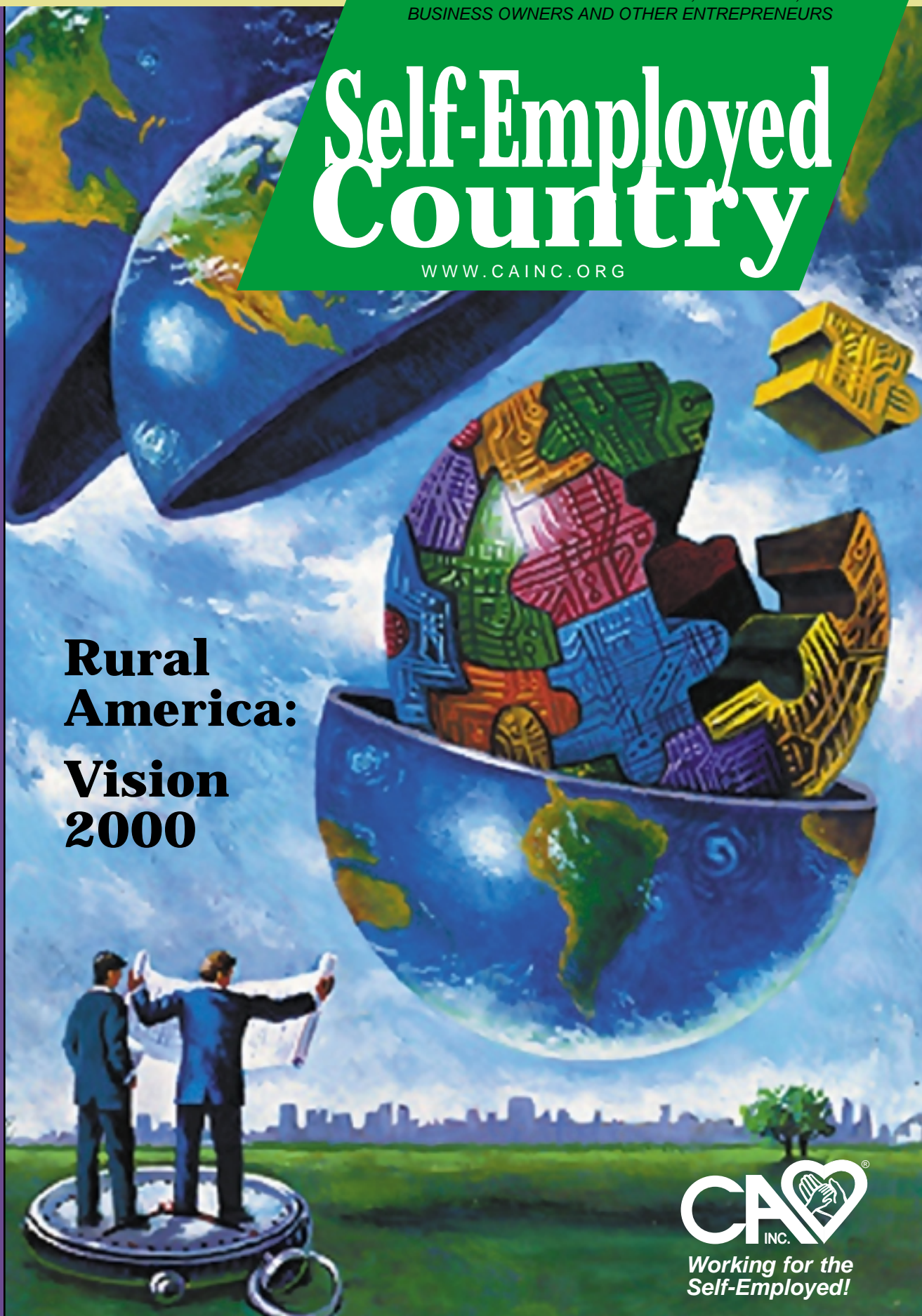
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in taxes**

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**Working for the
Self-Employed!**

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New magazine opens new era

Editor's Letter

by Colleen McGuire-Klemme

Welcome to *Self-Employed Country*, a new quarterly publication of Communicating for Agriculture. The history of publications for CA began back in 1972, when *CA Highlights* was developed as the communicating force behind the organization. For the past 28 years, *CA Highlights* has been committed to reporting about issues that affect rural families and their businesses. Today begins the birth of a new era in CA publications. We will explore benefits that are available to your family, tell personal stories about CA members, keep you updated about legislative issues and educate you about new trends in rural communities.

At the beginning of 2000, many people wonder what lies ahead for rural Americans. Organizations like CA work hard to preserve a way of life that many families have known since land was \$1.25 an acre. But CA also strives to move forward in the

dawn of the new millennium. *Self-Employed Country* is our way of connecting with your lifestyle today and tomorrow.

Leaving my rural Kansas home for the first time gave me a better understanding of rural communities and their integral part in the world in which we live. As we watch the 20th century slip past into a new millennium, the question we should ask is, "Where is the self-employed rural family going in the 21st century?"

Change is inevitable for rural communities as we look ahead to the next 100 years. Houses are spreading across the landscape. Distance learning programs are being established as new telecommunications options enter areas that have typically not known any technological advancements. Remote places are receiving better health care. Businesses are growing from kitchen table start-ups to Internet empires.

Where is your family in the 21st century? They are probably in the same place they have always been — in the community where grandfathers



dreamed of great things for their descendants. There are more houses near the back 40 than 10 years ago, but look around at the other advancements that have come with the desire to be a rural American. Change for rural communities is not a death sentence, but instead a gift of life and discovery. When I go home to Kansas, there are more buildings creeping farther out of town, but my time away from home has helped me understand why urbanites are migrating farther away from the city. They now realize what we have known about for generations — the country is a terrific place to work and raise a family.

CA hopes you enjoy *Self-Employed Country* and that you take something away with every issue. We look forward to a new century of growth and service to you, the members of CA.

Communicating for Agriculture, Inc. publishes *Self-Employed Country* four times a year as a service to CA members. Nonmember subscriptions are \$12 a year.

Communicating for Agriculture is a national, nonpartisan, nonprofit rural organization dedicated to strengthening rural America. Members set the organization's goals and activities through resolutions and surveys. CA was incorporated in 1972 under Provision 317,

known as the Minnesota Nonprofit Corporation Act. Its support comes from its members who are self-employed business people, farmers and ranchers.

Requests for CA membership information, as well as all other communications, should be addressed to:

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Check out our Web site at:
<http://www.cainc.org>

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Or e-mail to: benefits@cainc.org



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CA in the year 2000

Self-Employed
Country

President's Column

by Wayne Nelson, CA President

It doesn't seem possible that it is now the year 2000, let alone a new century and a new millennium. When I was a young boy, I used to think about how far in the future the year 2000 seemed. However distant it seemed 50 years ago, it has now arrived. I never even thought in terms of the new millennium, but it also has arrived — or will in 2001, whichever way you view the starting point. There is much significance in the new century and the next 1,000 years, but at CA we must focus on the start of one new year, perhaps even just the new decade.

CA's vision of making rural America a better place to live and work, and providing a way for rural people to receive the same benefits as urban dwellers, remains as significant today — in 2000 — as it was when Milt Smedsrud founded CA in 1972. Our resolutions speak to helping family farmers stay on the land, helping rural people have access to affordable health insurance, helping young people get a start in rural America, helping the self-employed in rural America achieve tax fairness, helping to improve the rural education system and helping rural seniors improve their quality of life. These resolutions provide a solid foundation for our entrance into the next century.

CA is active this year in continuing to work on enactment of legislation that was introduced in the first half of this Congress. Our **Campaign for Family Agriculture** is trying to provide an adequate safety net for family farmers and ranchers in the future. Crop insurance reform legislation that has already passed the House will come as one of the first items of business in the Senate this year. CA continues to fight for tax fairness for the self-employed in rural America by accelerating the 100 percent deduction for self-employed health premiums, helping farmers and rural small business.

CA is the leader of a coalition containing agriculture and small-business groups dedicated to the 100 percent deduction. CA is working toward the goal of true estate tax reform, helping farmers and small businesses keep their operations thriving from one generation to the next, thereby keeping our rural communities thriving as well. CA joins more than 100 other organizations working toward this goal. CA strives to improve the beginning farmer loan programs that are so important in keeping young people living and working in rural areas.

CA has taken the lead in getting legislation introduced that will help this program through a bond cap exemption and an FSA guarantee on "aggie" bonds. CA was successful in getting language included in health legislation that will ensure the viability of endorsed association health plans covering the self-employed. I am optimistic about the future of CA and our members. I am confident our resolutions provide the framework for our **Vision 2000**, enabling CA to work toward our goal of making rural America a better place for farmers, ranchers and rural small-business people. It won't be easy and there will be set-backs along the way, but working together through our association, we can reach our goal.



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Your CA benefits

Thousands of CA members pay their health insurance premiums each month and hope they never have to use the benefits. But what happens when catastrophe strikes? Ask Ruth Ann Griess and Pati Hilligas. They tell us it pays to be a CA member.

Ruth Ann Griess Grafton, Nebraska

For the past 15 years, CA member Ruth Ann Griess has been by her husband's side on their 700 acre farm, helping him with the grain and livestock business. But all of that changed on Feb. 24, 1999, when Ruth Ann was thrown from her van in a single-vehicle accident. A spinal cord injury left the 37-year-old mother of five paralyzed from the waist down.

After surgery to fuse her spine together, Ruth Ann spent two weeks in the hospital and almost six weeks in a rehabilitation unit before she was able to come home. She continues physical therapy twice a week and has a home health nurse that assists her around the house as she continues to learn to live from a wheelchair.

Ruth Ann's story is tragic, yet there is surprising hope and determination in her voice, when she commented about how helpful her children and husband are, and laughed when explaining that getting around the house isn't as easy as it use to be, even though her wheelchair can do just about anything — except the dishes.

Ruth Ann was very serious when talking about the financial burden the accident would have put on her family, if they were not insured with CA endorsed-carrier, Life Investors.

"I don't know what we would have done. Everything would be gone just to pay the bills," said Ruth Ann.

The total cost of Ruth Ann's accident is ongoing, as treatment continues on a weekly basis. However, the cost of her medical expenses currently stands at \$252,000, including surgery, hospitalization, rehabilitation, physical therapy, home health care and Ruth Ann's wheelchair.

The out-of-pocket expense for this devastating accident? In 1999, the Griess' only paid \$2,500 from their own wallet, which is about one percent of the total cost.

When asked if they had used Life Investors for any other claims, Ruth Ann said, "No, that's the best part of the story. We had just switched to Life Investors from another company, six months prior to my accident, because the premiums were getting too high. Going to Life Investors saved us money."

And how has Life Investors been to work with? "Everyone has been real good to us, from our agent, Ron Wiese, on up. Both Ron and the case manager, Linda Brandenburg, visited me in the hospital, checked up on me at home and answered questions," said Ruth Ann. "I just turned



The Griess family

things over to them and knew I didn't have to worry about the paperwork. They just took care of things for me."

Ruth Ann is confident this setback will only be temporary and vows to help her husband, Vern, with the daily farm routine once again. "I'm going to get back out there by his side again one day."

With coverage from Life Investors, these CA members will be able to continue the course of their lives without the financial strain an accident of this magnitude would have placed upon them. Ruth Ann doesn't have time to worry about policies and coverage, she's too busy being a wife and mother, and she's happy to keep it that way.

If you would like more information about CA-endorsed carrier, Life Investors, please contact us at 1-800-432-3276 or e-mail us at benefits@cainc.org.



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Would you like to share your Life Investors story?
E-mail us at **benefits@cainc.org**

Pati Hilligas Hampton, Nebraska

Pati Hilligas blamed her shortness of breath and tiredness on a 30-year smoking habit. When she quit smoking more than a year ago, she investigated her health problems. Pati was on medication for high cholesterol, but that didn't explain why she was having difficulty breathing. "I thought smoking was the reason. I couldn't walk up stairs without feeling tired," she said.

After a battery of tests, three arteries in her heart were discovered to be blocked — two were 95 percent blocked and the third had a 70 percent blockage. She had triple-bypass surgery in March 1999, and then had an additional operation on another blockage in her leg during July.

Costs for the two surgeries and hospital stays totaled \$66,920. As CA members and insureds with the endorsed-carrier, Life Investors, Pati and her husband, Deryl, were not worried about their coverage. And they didn't have to be.

After a \$1,000 deductible and 20 percent of the next \$5,000, which totaled another \$1,000, Pati's out-of-pocket expenses were just \$2,000. No questions asked.

"They do what they say," said Deryl about the coverage they received based on their contract. The Hilligas' rate their experience with Life Investors as a very positive one. "You are not just a number with Life Investors.



Pati and Deryl Hilligas

They are a caring company."

Pati reflects, "It's comforting to know you have good insurance and no worries concerning your coverage."

The Hilligas' recognize being a CA member gives them access to more than just health insurance. Both Pati and Deryl understand advantages of being united in one large group. The consequences of carrying their own individual coverage at this time in their lives could have been devastating. CA has never had an insurance carrier cancel benefits or had any member singled out for a rate increase, something the Hilligas' can appreciate. Since 1977, Life Investors has paid out more than \$500 million in claims for CA members.

Prior to Pati's surgery, the Hilligas' had never used the plan for major medical expenses. Is the cost of insurance worth what could be many years of healthy living without need of coverage? Both of them admitted they will never pay in premiums what the cost of Pati's medical bills were. They are convinced Life Investors made their lives *much* easier.

If you would like to learn more about CA-endorsed health benefits, please contact CA at 1-800-432-3276.

Campaign for Family Agriculture achieves gains in 1999; recharges for 2000

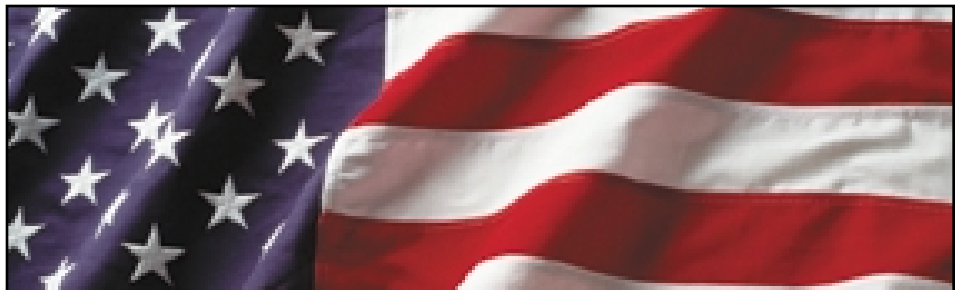
CA's Campaign for Family Agriculture made progress last year in its push to improve farm income. But the steps Congress took in 1999, fall far short of the reliable economic foundation the family agricultural system needs, to thrive in the new century.

This year, CA is redoubling its efforts to achieve the campaign goals of rebuilding a farm safety-net, restoring competitive livestock markets and improving financial management tools available to independent farm operators. Plans include: continuing CA's presence in Washington to advise on Congressional action; increasing grassroots communication from members and supporters to policymakers; expanding efforts to educate and involve consumers in preserving a strong family agricultural system.

■ "CA played a role in gaining passage of the farm relief package, but there's a lot more that needs to be done. We thank those members who got involved in the campaign and we ask for their involvement again," said CA President Wayne Nelson.

■ Congress passed an \$8.7 billion farm relief package that, while far from perfect, will help keep tens of thousands of farmers in business this year.

■ One campaign goal was achieved when the farm appropriations bill included language mandating full livestock market price reporting, a key step in restoring competition in livestock markets.



■ The campaign also made an impact with a national survey of consumers. The independent survey found that consumers clearly believe the family-based agricultural system is the most reliable system for maintaining safe, affordable food and for protecting the environment. Consumers are also very concerned about the rapid consolidation going on in the food and agricultural processing industries and about what it means for consumers and farmers alike. The survey also found that consumers support spending tax dollars to stabilize the farm economy. CA carried the message to Washington by sending letters and complete survey results to every member of Congress.

■ Perhaps most importantly, there will be public hearings about revising the 1996 Farm Bill, early in the next session of Congress. House Agriculture Committee Chairman Larry Combest, R-Texas, has announced hearings in January, and House Agriculture Committee Ranking Minority Member Charles Stenholm, D-Texas, has proposed changes that will get bipartisan consideration. Senate Minority Leader Tom Daschle, D-S.D., has also announced that the Democratic Policy Committee will also have hearings about farm policy changes. While there is not yet agreement, there is growing consensus farm programs need revisions to provide more

protection from volatile price swings.

■ Among unfinished legislative recommendations of the campaign are: overhauling and expanding crop insurance; making adjustments to improve crop marketing loans; beefing up antitrust oversight and enforcement in agricultural markets and supply industries; Farm and Ranch Risk Management Accounts; meat labeling requirements for country of origin; and stronger export development programs.

■ "In a presidential election year, it can be difficult to pass significant legislation," Nelson observed, "but this is clearly a year when agricultural policy and rural development policy must be on the national agenda for debate. Given the hard facts about the severity of the problems confronting the farm economy, we think it is possible to forge consensus and pass legislation. But it won't happen if the rural public doesn't press the issue. We appreciate the input and participation we've had from members in the CA campaign and we look forward to their involvement again this year."

To receive Campaign for Family Agriculture literature, call 1-800-432-3276 or check CA's Web site at www.cainc.org.



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Legislative update

The first session of Congress in the new millennium will actually be a carryover from the last year of the last century. It's fitting, in many ways, because many of the key issues expected to be before Congress will be holdover legislative proposals that didn't receive final action before the recess in November.

Political consensus can be tough to find in a presidential election year. However, CA believes 2000 can be a year of progress by Congress and it will be an important year to put rural issues in the national spotlight.

"An election year is an opportune time to press the political leadership of the country to focus on rural needs, and there is a broad range of issues that need to be addressed," said CA President Wayne Nelson. "As always, CA's priorities will be issues affecting the lives and economic health of rural self-employed people, small business and agriculture. High on the list are farm policy changes, affordable quality health care, tax reforms, new technology and new economic development for rural areas."

TAX REFORM

Tax reform for small business and agriculture will continue to be a CA priority in 2000.

■ **Health tax deduction** — CA was a leader of the Health Tax Deduction Alliance last year, that pushed for accelerating the phase-in of a 100 percent tax deduction for health insurance premiums for the self-employed in 1999. However, when Congress failed to come to agreement, first on an omnibus tax reform bill and later on a minimum wage and small business tax break bill — both of which called for an immediate 100 percent health tax deduction, the opportunity was lost. A majority of members of Congress claim to support the legislation and

CA will be pushing for action to match those statements in the new session set to begin Jan. 27.

■ **Estate tax reform** — An all-out repeal of the estate tax was included in the House-passed omnibus tax bill, but neither the full repeal nor scaled-back legislation to reduce estate taxes were approved by both houses of Congress. CA will again be pushing to eliminate or reduce estate taxes because of their negative impact on the continuity of rural family-owned small businesses, farms and ranches.

Additional small-business tax relief proposals CA will support in the new session include:

■ **Section 179 Small-Business Expensing** — legislation that would raise the business annual-expensing limit from the current \$18,000 to \$30,000 under section 179 rules.

■ **Business meal expenses** — increasing the business meals deduction to 60 percent.

AGRICULTURE TAX RELIEF PROPOSALS CA WILL PRESS FOR INCLUDE:

■ **Farm and Ranch Risk Management Accounts** — FFARRM accounts would enable farmers, ranchers and commercial fisherman, whose economies are highly volatile from one year to the next, to set aside income in tax-deferred savings accounts in good years and take it out in low income years, when it would be taxable. The FFARRM accounts legislation has long been a priority for CA and is similar to the Income Balancing Accounts concept developed by CA in 1989.

■ **Taxes on farm production payments** — provides that federal farm commodity production payments to farmers can be taxable in the year they are received.



CA President Wayne Nelson leads the group's efforts on Capitol Hill.

■ **Income averaging and AMT rules** — rules that would simplify income averaging for farmers and reduce the potential impact of the alternative minimum tax.

ONE IMPORTANT CA-BACKED TAX PROPOSAL THAT WAS APPROVED:

■ **Renewable-energy tax incentive** — The tax-extenders legislation approved by Congress and signed by President Clinton included an amendment, introduced by Sen. Charles Grassley, R-Iowa, that extended the tax incentive for renewable energy. The tax incentive is crucial for the continued development of wind energy in new areas and emerging biomass crop energy development.

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Rural America: Vision 2000

John Ikerd, from the University of Missouri, calls it the “rural renaissance”; the rebirth or revival of rural lifestyles after the slump of rural living in the 1980s. There are more telephone wires and electrical poles in the distance, more houses on the horizon that seem to creep closer and closer to established property lines. Country lifestyles are changing and as this century closes, new neighbors and new businesses are continuing to make the migration to rural America.

In recent polls, all big cities — except New York — are decreasing in population. There are almost three million new rural dwellers in America since the late 1980s, and 62 percent of urban Americans have a desire to move to the country.

The new arrivals to the country span the gamut: retirees, blue-collar workers seeking new factory jobs and “lone eagle” professionals (city slickers that can work from their homes in self-employed businesses). Why are they flocking in droves? As Calvin Beale points out in *The Rural Rebound*, they are attracted to rural areas by a desire for a better way of life. Many residents of farming communities would argue with the premise, based on the sharp decline in grain and livestock prices during the 1990s. But no matter what the argument, rural America is changing rapidly.

CA began **Campaign for Family Agriculture** in 1998, with the goal of strengthening farm prices, revamping current government programs and creating a new “Price Enhancement Plan” (PEP).

“We believe the freedom to farm should never lead to a ‘fear to farm!’ We need to make sure that if government is to be involved — its focus needs to be on helping the family,” said Milt Smedsrud, founder of CA.

Campaign for Family Agriculture focuses on strengthening the government policies that make family farmers economically viable. In the new millennium, CA will expand its focus beyond farm families to all families that live and work in rural America.

“Rural America is not only a place to be from — it must be seen as a place to stay. That means we must help build economic opportunities for all kinds of businesses that will call country living ‘home,’” said Smedsrud.

In 2000, the campaign will provide resources to empower rural residents as they fight to change laws that discriminate against them. There are many signs that one dedicated voice can be heard.


Tiffany Shedd, farm wife and agribusiness attorney in Arizona City, Ariz., believes one person in a rural community can make a difference. When a buffer zone problem threatened her family’s farming routine, she lobbied from

her kitchen table. As a result of her hard work, the legislature reformed the law that was creating the zoning problem.

“As few as 15 to 20 letters or telephone calls from constituents can affect a legislator’s vote,” said Shedd. She believes rural communities can control their own destiny, if community members take action.



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There is skepticism that urbanites moving to rural areas will be interested in the issues that impact country living. Some have been accused of being *in* the country, but not *of* the country. Robert Reich, U.S.

secretary of labor, stresses that the economy is no longer local or even national in scope, but is truly global. Successful rural communities will be made up of long-time rural residents, bright young people who choose to stay, returning rural residents, those born in urban areas and those born in other countries. Rural communities that survive in the 21st century will be culturally diverse and technologically advanced.

LearningByte International, a Minneapolis-based firm specializing in interactive, multimedia computer training programs, expanded to northern Minnesota in 1997, and is projected to triple in size during the next five years. MinnTelecom has invested \$2 million to wire parts of northern Minnesota with a high-speed fiber-optic network, linking seven "hub" cities.

Agricultural Secretary Dan Glickman recently announced \$13 million in grant aid for the USDA rural telecommunications programs to support distance learning and telemedicine projects in rural areas. Connie Sprynczynatyk, executive director of the North Dakota League of Cities said, "We see many examples of ways that farmers, small and large communities, and businesses are taking full advantage of this technology to work smarter."

Beale suggests current trends in rural revival may continue for a long time. The aging "Baby boom" generation will be retirees in the next decade and well into the future. "The revolution in communications, the improvement of transportation and the evolution of the organization of work are all unlikely to be reversed," Beale said.

What does this mean for rural America? Certainly the work is harder and the hours are long, but possibilities for country lifestyles seem to be endless. With the development of new businesses, new neighbors and new technology, rural communities are on track with the "something for everyone" mentality. The migration to rural America may not be new, but the opportunities that await country dwellers will be far-reaching into the new millennium.

"We believe the freedom to farm should never lead to a 'fear to farm!' We need to make sure that if government is to be involved — its focus needs to be on helping the family," said Milt Smedsrud, founder of CA.

CA's Web site will unveil a series of new action-steps that will help people like Shedd become more effective as citizen lobbyists.

"As the new year begins, it seems obvious there will be obstacles to overcome," said Smedsrud.



Save \$2,500 in taxes by using AgriPlan/BizPlan to deduct health insurance costs

Benefit update



As medical costs continue to rise faster than most goods and services, health insurance premiums also increase. What options do you have?

If you are self-employed and employ your spouse, "Uncle Sam" may help you reduce your monthly costs, thanks to a little known provision of the federal tax code.

Even though the IRS currently allows self-employed people to deduct 60 percent of their health insurance premiums from federal taxes, CA members who use a service called AgriPlan/BizPlan can get an immediate 100 percent deduction. They can also deduct all medical and dental costs not covered by their health insurance, and even some life insurance and disability premiums.

For many self-employed families, it can represent an annual tax savings of more than \$2,500, according to officials at AgriPlan/BizPlan who have already enrolled almost 55,000 families.

There are rules that must be followed closely to qualify, such as employing your spouse in the business and not having more than three other employees.

HERE'S HOW IT WORKS:

Jim own his own business. Jim's wife, Mary, provides a valuable service to the business by keeping the books, typing and filing. Jim decides to formally employ Mary and take advantage of the AgriPlan/BizPlan tax savings. When establishing a compensation package for Mary, Jim evaluates her experience and the vital role she plays in the business. Jim agrees to compensate Mary \$10,000 a year. He pays the compensation in the following way:

1. Reimbursement of:	
a. Family health insurance premiums	= \$4,000
<i>(fully deductible to the business, nontaxable to Mary)</i>	
b. Family noninsured medical expenses	= \$3,000
<i>(deductible and nontaxable)</i>	
2. W-2 wages	= \$3,000
Total	= \$10,000
Employee benefit expense	
\$7,000 (a+b) x .35 = \$2,450 tax savings	

Remember: The family insurance covers Mary, Jim and their children.

The \$7,000 of reimbursed medical costs may now be deducted at 100 percent as an employee benefit expense. Jim multiplies the \$7,000 by a 15 percent federal tax, a 5 percent state tax and a 15.3 percent self-employment tax. The result: Mary's compensation in benefits and wages has resulted in a tax savings of \$2,450.

AgriPlan/BizPlan lets you tax-deduct the following medical expenses:

- *Health insurance premiums
- *Qualified long-term care policies
- *Uninsured medical, dental and vision care expenses

Other deductible benefits are:

- *Term life (\$50,000 maximum) and disability income insurance premiums for employee (spouse)
- *Benefits provided for other employees

Using AgriPlan/BizPlan is not dependent on purchasing additional insurance coverage or changing your existing coverage. This plan is strictly a legal benefit that provides you with plan documents/communication and accurate itemized deductions for your tax professional. *Nation's Business* magazine said, "BizPlan is so confident its technique complies with IRS rules, that it offers customers a guarantee that they will pass an IRS audit if all procedures are adhered to."



If your family does not save more than the \$175 enrollment fee on year 2000 taxes, CA will reimburse your money, guaranteed. To enroll in the program, or speak with a customer service representative at AgriPlan/BizPlan, please call 1-800-626-2846.



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Iowa's Pantry

Cyberspace Market

Electronic commerce has opened a new door for family farmers and self-employed business owners. An Iowa-based Internet site, Iowa's Pantry, has been selling products via cyberspace since August 1999, and is enjoying a steady stream of business.

Iowa's Pantry is a food distribution company based in Decorah, Iowa. Customers review products and gift baskets for sale on its Internet site and order electronically using a secure credit card processing system. Averaging 20,000 to 25,000 site hits a week, the new organization is surprised by the different suppliers who express interest in the site.

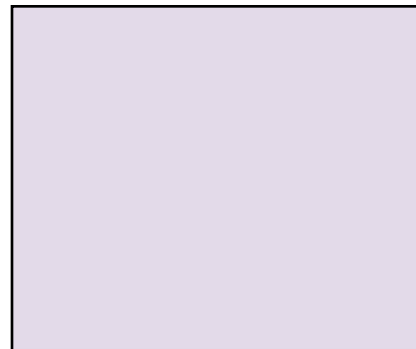
"We have been amazed at the calls from all over Iowa. The vendors range from meat-lockers to family farmers to the lady in her kitchen who makes cookies," said CA member Katie Nosbisch of Complete Consulting, which maintains the Web site.

Iowa's Pantry currently has 78 suppliers and offers 300 to 400 products for sale, ranging from specialty meats to produce and desserts. For \$100, a supplier can list with the organization and have their products sold online.

What is the hottest food at Iowa's Pantry? Homemade pizza! Mabe's Pizza is a favorite in Iowa, and the proof is literally in the dough due to word-of-mouth advertising and the highest ranking sales on the site. Pork products are also a much-requested item, since Iowa's Pantry works with nonfeedlot vendors and promotes family farm growers.

"Iowa's Pantry narrows down the gap from producer to customer," said Nosbisch. "The family farmer can make a connection with their customers and know where their products are going."

Nosbisch invites CA members to take advantage of the Web site, listing as a supplier or purchasing products online. If members buy items from Iowa's Pantry using the link on CA's Web site before June 30, 2000, one-half percent of all profits will go to the CA Foundation. For more information about Iowa's Pantry or to review the products available, please visit CA's Web site at www.cainc.org/iowaspantry/.



Nebraska pork professor promotes exchange in Denmark

CA Exchange Program

A scholarship from Communicating for Agriculture is helping a University of Nebraska professor take a sabbatical at a Danish college where he hopes to gain new teaching methods and strengthen an exchange program between CA and the college.

Associate professor and extension swine specialist Duane Reese left Lincoln, Neb., in August, to spend six months at Dalum Agricultural College in Odense, Denmark. In addition to using the experience to improve the courses he teaches, he also plans to use the exchange experience to enhance efforts to recruit American trainees for internships at the Danish college and to encourage young Danish students to participate in a CA exchange in the United States.

"I decided to work here (at Dalum College), because there was already a link between Dalum and Communicating for Agriculture," Reese said, "and, also, because Dalum has a history of cooperating with students and teachers from foreign countries."

CA entered into an exchange agreement with the college and sent its first trainee to the program in 1998. Recruiting new students for the exchange, however, has proved difficult.

"By bringing Professor Reese on board, we hope to increase participation in this exchange," said Peter Risbrudt, responsible officer for the CA Exchange Program. "He has numerous contacts throughout the pork industry that we are sure will be helpful in attracting young people to the exchange to Dalum College. He also has personal contacts with pork producers in various states who would be good candidates for hosting Danish trainees."

Reese explained that Denmark is a good choice for international swine management because the country has served as the breeding ground for a number of issues pork producers face eventually in the United States.

Denmark produces approximately 22 million hogs a year. There are 5.2 million people living in Denmark, which has a landmass about one-third of Iowa. That combination means Danish pork producers face stringent regulations, regulations that may be placed on American hog producers in the future.

In 1997 Reese first read about Dalum's international program in a short article that appeared in *National Hog Farmer*. He called Dalum College for more information and also contacted CA to learn more about how the CA Exchange Program arranges for students to attend the college. Reese said he found the exchange possibilities for students to be an appealing opportunity for them to learn more about swine management and international relations.

"I am a firm believer in internships or some practical experience while a student is continuing his or her formal education," said Reese, who grew up on a 166-acre crop and livestock farm in Ohio. "The fact that the experience had an international aspect to it, made it even more appealing to me."



Duane Reese

If you are interested in participating in an exchange to Denmark or hosting a Danish trainee, contact CA Exchange Program Coordinator Beverly Gilmartin at 1-800-432-3271 or via e-mail at: beverlyg@cainc.org.

Trainee in Holland thanks CA

CA Exchange Program

Dear CA,

I have been in Holland for nearly one month now. Holland is a very different place compared to rural west Kentucky and I am glad that I am getting a chance to experience such a difference. I am very happy with my placement here in Honselersdijk and feel like I am in the middle of "horticulture heaven." I use this term because not only is the world's second largest flower auction in Honselersdijk, but there are also miles of greenhouses in every direction. I have visited the world famous tulip garden of Keukenhof in Lisse, and several of the neighboring cities, such as Delft and Gouda.

This first month has been a very pleasant surprise and I am looking forward to learning more from Johan, my boss. My job consists of working in a hydroponic greenhouse, growing yellow bell peppers from 7:30 a.m. to 3:30 p.m., during the week. I not only get the chance to work in a modern greenhouse environment, but I also get to ask all the questions I want, because Johan has plenty of



experience and does not mind sharing his knowledge with anyone who is willing to listen.

I would like to thank all of those who

have been involved in making this exchange possible for me.

Sincerely,
Beau M. Jones

CA Exchange Program

Trainee leaves murals behind

South African trainee Dani Carstens painted this mural for his hosts, Robert and Margaret Subart of Robinson, N.D.



Presidential Candidates Called on to Debate Issue

Meeting on Dec. 3-4, the board of directors of CA called for all national presidential candidates to participate in debates on the future of rural America and rural business.

"It's a travesty that only two candidates (Vice President Gore and Senator Hatch) to date have accepted invitations to participate in the 'ACE Debates' next month in Iowa that would focus on agriculture, conservation, energy and the environment," said Wayne Nelson, president of CA.

"At a time when most economic sectors of our country are experiencing record growth and prosperity, rural Americans involved in agriculture and many of the industries that support it are experiencing extraordinary low prices, decline in business, loss of

jobs and are fearful for their future. It's critical that those who seek to lead our country demonstrate their vision, understanding and commitment to a secure, prosperous future for rural America."

Nelson noted the issues at hand are not just the concern of farmers. In national surveys, including a recent independent survey sponsored by CA, American consumers expressed deep concern about the impact of the current farm economic crisis; and the implications of the consolidation taking place in the food and agribusiness industries for consumers and farmers. They expressed a strong preference for a family agriculture system to provide safe, affordable food and to protect the environment.

"Rural issues, farm policy, food security, and protecting the safe use

of our natural resources ought to be on the presidential campaign agenda for debate in every single state, beginning in Iowa," said Nelson.

The ACE Debates are to be nationally televised on Jan. 10, 2000 for Republican candidates and Jan. 12, 2000 for Democratic candidates. They are co-sponsored by the Iowa Farmer Today and Cedar Rapids Gazette newspapers, the League of Conservation Voters Education Fund, and the Izzal Walton League of America.

The motion made by Nelson at the CA board meeting was jointly seconded by members from N.D., Iowa, Calif., Texas and Tenn. The vote was unanimously approved by the board, who represent CA's national membership.

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FARM LEGISLATION

House and Senate hearings that will consider revisions to the 1996 Farm Bill will begin early in the new session. CA will push to advance recommendations from our **Campaign for Family Agriculture** to strengthen the farm safety-net, including adjustments to marketing loan rates and extending the loan period, and CA's "Price Enhancement Program" proposal. Other CA priorities include:

Crop insurance reform —

Legislation that would overhaul and enhance crop insurance by making higher coverage options more affordable, and piloting a livestock insurance program, passed the full House of Representatives. Senators Pat Roberts, R-Kansas, and Bob Kerrey, D-Neb., are chief authors of similar legislation in the Senate. Congress has earmarked \$6 billion for crop insurance reform for the 2000 crop year. Senate Ag Committee Chairman Richard Lugar, R-Ill., has an alternative crop insurance

reform proposal. He has said action would be taken on crop insurance by the committee no later than March 8.

Consolidation and antitrust

oversight — Legislation that called for an 18-month moratorium on mergers of large-scale agribusinesses was considered, but not approved, by the U.S. Senate. However, supporters plan to go back and write more specific legislation aimed at beefing up antitrust rules and oversight by the Justice Department, in response to deep concerns by many farmers about consolidation and a potential lack of competition in agricultural markets.

Meatpacker competition — New CA-supported regulations that mandate full reporting of livestock sales prices will be implemented by the USDA this year, superceding similar rules adopted by several states. In addition, bipartisan legislation has been introduced that would ban meatpackers from owning livestock prior to purchase for slaughter. Senators Tim Johnson, D-S.D., Charles Grassley, R-Iowa, Bob Kerrey, D-Neb., and Craig Thomas, R-

Wyo., are the original bill authors. The bill would be retroactive, requiring large porkpackers, such as Smithfield Foods, to divest their ownership of hogs over 18 months.

MEDICARE REIMBURSEMENT

Medicare rural provider relief — Rural health care providers, including hospitals, clinics and physicians, got some welcome relief from the hard hits they took from the steep cuts Congress gave Medicare in the Balanced Budget Act of 1997. Rural providers, who serve a far larger base of Medicare-age population, already were discriminated against by Medicare reimbursement policies that make lower payments to rural providers compared to urban-based providers for the same procedures. Rural consumers, too, feel the impact of Medicare under-reimbursement by cost-shifting to private commercial insurance or by health care providers leaving rural areas. CA supported a package of technical rural Medicare relief measures approved by Congress and signed by the president in November.

CA benefits — Working for the Self-Employed!

SUPPLEMENTAL PROTECTION BENEFITS

Blanket Accident Protection: Your membership guarantees you will receive \$50 for any hospital emergency room visit that is a result of any "wheels-related" motorized-vehicle accident or as the result of a farm accident. In addition, the plan pays you \$50 a day for each day you are hospitalized (with a maximum benefit period of 365 days) and provides you with an additional \$5,000 Accidental Death Benefit (underwritten by Monumental Life Insurance Company, Maryland). Call 1-800-432-3276.

PCS Prescription Drug Card: All members receive a free RX card, offered by national leader PCS. The card gives savings of 10 percent to 30 percent on name-brand and generic prescriptions. Members have saved more than \$3 million! The average savings is \$7.82 an order. Call 1-800-432-3276 for more information.

pcsRX.com: At no charge, CA members have access to information and online ordering. Through pcsRX.com members can order and track refills, order new prescriptions, get prescription drug histories, build their own personal home health page, research drug and health information and more! Visit www.pcsRX.com.

'Act of God' Natural Disaster Benefit: In the event your business suffers uncompensated losses of \$25,000 or more from an "act of God" — flood, hail, drought, tornado — CA will pay your membership dues and the cost of your endorsed health insurance premiums for three months. You must have been a CA member for six months prior to the loss. Call 1-800-432-3276 to file a claim.



\$2,500 Accidental Death Benefit: Additional death benefits for your family are available. For the named member only. This benefit is written by Monumental Life Insurance Company, Baltimore, Md. Call 1-800-432-3276 for more information.

CA Legislative Hotline: Call us at 1-800-432-3276 to find out what CA is doing legislatively or to voice your concern about an issue.

CA BizTalk: Call CA with your business questions and concerns. Our staff will research your questions and respond with prompt, accurate information.

*Membership must be at least \$96 for eligibility for full benefits.
Platinum members are eligible for additional benefits. Call 1-800-432-3276 for details.*

BUSINESS AND MARKETING INFORMATION BENEFITS

The Ferguson Ag Report: You'll find sound financial and political updates specific to the agricultural community. Get a 25 percent discount off the regular rate when you call 1-800-432-3276.

Dun & Bradstreet: For more than 150 years Dun & Bradstreet has met the needs of businesses with the most comprehensive information solutions. Call 1-800-IDNB, ext. 3046.

AgriPlan/BizPlan: Deduct 100 percent of your health insurance premiums and related medical expenses with an average tax savings of \$2,500. If you don't save more than the cost of enrollment, you get your money back, guaranteed. Call 1-800-626-2846.

Tax Advantages for Your Home-based Business: If you work from home, you can order this service, that guarantees a \$2,000 savings in the first year or your money back. The service is narrated and produced by a former IRS attorney and CPA. For a free sample tape, call 1-800-432-3276.

Big E-Z Bookkeeping System: One of the most comprehensive small-business bookkeeping systems available — call 1-800-432-3276.

American Lease Exchange: Affordable equipment leasing and financing now available to CA members. Call 1-800-321-5327 and tell them you're a CA member.

National Processing Corporation: Now you can accept credit, debit or other noncash payment for your products and services. Call 1-800-592-1591 and let them know you're a CA member.

TRAVEL BENEFITS

Travel Concepts: Your VIP service for airline travel. Call (218) 739-3290 and save on your next trip!

See America at Half-Price Discount Hotel/Motel: Save 50 percent at more than 2,000 hotels and motels in America. To order, call 1-800-432-3276.

Amusement Park Discounts: Order discount tickets for amusement parks throughout the country. Call 1-800-432-3276.

Hertz Rental Cars: Save an average of 10 percent on car rental rates. Call 1-800-432-3276.

PERSONAL BENEFITS

1-800-FLOWERS: Floral arrangements for home or office and all your entertaining and gift-giving needs. Call 1-888-755-7474 and mention referral code 986 to receive 10 percent discount on any credit card purchase of \$29.99 or more.



Grocery Coupons: \$500 in grocery coupons for name-brand products used most often. Call 1-800-432-3276 to order.

National Golf Directory Discount: Fifty percent off at more than 1,500 golf courses and accessories nationwide. Order by calling 1-800-432-3276.

Discount Movie Tickets: Why pay big bucks to see a movie? Call 1-800-432-3276 to order your movie tickets for only \$4.50 each, minimum 10 per order.

Pro Health: Purchase vitamins, herbs and nutritional supplements at discounted prices. CA members receive an extra 10 percent off already low prices. Call 1-800-366-5924 and identify yourself as a CA member.

Old Farmer's Almanac & Calendar: A farmer's best friend. Call 1-800-233-3166 and mention order #0F99CMZ, offer CMIZCFA.

'For Dummies' Books: Your guide to understanding the Internet, PCs and Macintosh computers. Call 1-800-432-3276 to order.

Guaranteed Student Loans: Access to Federal Stafford and PLUS loans. Call 1-800-432-3276 to request your application.

Small Business Ink: Save on printing costs for your business cards and letterhead. Call 1-800-432-3276 for a free packet.

Discounted Business Forms from NEBS: CA members receive a 23 percent discount on all business forms from NEBS. Call 1-800-388-3810 and mention #19068 or call CA at 1-800-432-3276 for a free catalog.

To join our electronic newsletter mailing list, please call 1-800-432-3276, or send your name, address, telephone number and e-mail address to CA via e-mail at benefits@cainc.org.

CA backs renewed Congressional Rural Caucus

Communicating for Agriculture (CA) is part of a group of 25 leading rural organizations that is helping to re-establish the bipartisan Congressional Rural Caucus. The Congressional Rural Caucus provides a means to pull together members of Congress from both parties, who have a strong interest and constituency from rural areas, to study and advocate federal policies that address the needs of rural America.

Originally established in 1973 as an ad hoc group to promote orderly growth and development in rural America, the caucus was dismantled in 1994 due to a change in congressional rules and a lack of resources. Now, Reps. Jo Ann Emerson, R-Mo., and Eva Clayton, D-N.C., are pushing to reorganize the caucus.

In a joint letter urging members of Congress to join the caucus, the rural groups said, "Far too frequently rural America is an afterthought in federal policy discussions and program development, whether dealing with economic development, education,



health care, infrastructure development or even the 2000 decennial census. This despite the fact that one in four Americans live in rural communities, an amount equal to those living in major cities."

In a presidential election year prospects for *any* legislation is uncertain, because consensus is not readily at hand. On some legislative issues politicians may deem it more advantageous if they differentiate

themselves from an opponent or the other party, and compromise is hard to achieve. However, in other cases, political leaders can be very motivated to respond to a pressing issue and show they can work to address a real need.

CA believes 2000 can be a year of progress by Congress and will be an important year to put rural issues in the national spotlight.

