

S. HRG. 109-819

**REVIEW NOMINATIONS FOR USDA, CFTC AND  
FARM CREDIT ADMINISTRATION**

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**HEARING**

BEFORE THE

**COMMITTEE ON AGRICULTURE,  
NUTRITION, AND FORESTRY  
UNITED STATES SENATE**

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

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DECEMBER 6, 2006  
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## **REVIEW NOMINATIONS FOR USDA, CFTC AND FARM CREDIT ADMINISTRATION**

**Wednesday, December 6, 2006**

U.S. SENATE,  
COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,  
*Washington, DC*

The Committee met, pursuant to notice, at 9:31 a.m., in room SR-328a, Russell Senate Office Building, Hon. Saxby Chambliss, Chairman of the Committee, presiding.

Present or submitting a statement: Senators Chambliss, Cochran, Roberts, Coleman, Harkin, Leahy, and Salazar.

### **STATEMENT OF HON. SAXBY CHAMBLISS, A U.S. SENATOR FROM THE STATE OF GEORGIA, CHAIRMAN, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY**

Chairman CHAMBLISS. Good morning. We here today to conduct a hearing on three nominations to important posts in the Federal Government. The nominees are Mark Keenum to be Under Secretary of Agriculture for Farm and Foreign Agricultural Services and to be a member of the Board of Directors of the Commodity Credit Corporation; Leland Strom, to be a member the Board of Directors of the Farm Credit Administration; and Jill Sommers to be a Commissioner at the Commodity Futures Trading Commission.

We all appreciate their willingness to come forward and engage in public service.

One of the nominees, Mark Keenum, is no stranger to this Committee, having served on Senator Cochran's staff for over 17 years. Mark has been a good friend of mine for many years and Mark, it is indeed a privilege to have you being willing to step up at the Department of Agriculture and continue your public service.

I welcome all of the nominees and thank them for appearing before the Committee.

For the information of Senators and staff, and after consultation with Senator Harkin, I ask that any questions of the nominees for the record be submitted by 4 p.m. today in order to expedite the confirmation process.

Senator Harkin will be recognized when he gets here but I want to say publicly how much I appreciate the cooperation of Senator Harkin in getting these nominees up here in a very expedited manner, particularly you, Jill. Jill has been a good friend of mine for many years. She is a very capable person to be going to the CFTC. We had to sort of pull and tug down at the White House to get the paperwork, the bureaucracy. As the Chairman the Appropriations Committee well knows, it is difficult to endure sometimes. But we

did. But it could not have happened without Mark and without Senator Harkin's cooperation, so I appreciate that very much.

At this time I will turn to my good friend from the State of Mississippi, Senator Cochran, for an introduction.

**STATEMENT OF HON. THAD COCHRAN, A U.S. SENATOR FROM MISSISSIPPI**

Senator COCHRAN. Mr. Chairman, thank you very much.

I am pleased to join you in welcoming our nominees to the Agriculture Committee today for their confirmation hearing. I am especially pleased, of course, that Mark Keenum has been nominated by President Bush to be Under Secretary of Agriculture for Farm and Foreign Agricultural Services.

I do not know of anyone who would bring any better qualifications to this job than Mark Keenum. He has an Agriculture Economics degree from Mississippi State University. He got graduate degrees from that university, including a Ph.D. He was on the faculty as an instructor for a while and actively engaged in research in some very important emerging agriculture and aquaculture areas of interest and concern in our State.

He worked for the Extension Service. He has worked as a research assistant at Mississippi State University, as I pointed out. And he joined my office here in Washington as a specialist in agriculture and agriculture economics.

He has really been an outstanding member of my staff, both in helping to develop policy initiatives and monitor all the legislation affecting the Department of Agriculture.

And then, when I was Chairman of this Committee, he was a very valuable adviser and an assistant in helping shape policy there, writing Farm Bills. He was actively engaged in several Farm Bill hearings leading up to the bill, the crafting of the language, negotiating with other member's staffs, and working to work out differences in conference with the House, dealing with the Administration over the years, all in a very professional and thoughtful way.

His personal qualities are impeccable. He is courteous, he is intelligence, he works hard, he has a sense of responsibility, he has got good judgment.

So I am pleased to be here today and to congratulate him on his nomination and to urge the Committee to favorably consider the nomination and report it as soon as possible. We really do need somebody in this position as soon as possible, and he will do a great job in helping develop options for the next Farm Bill. He will be a great resource in that process for the Administration, as well as for the Congress, and particularly this Committee in the Senate.

He and his wife, Rhonda, are close personal friends of mine. She is, of course, in an important position at the White House. They have four delightful, darling children who were a little bit rambunctious a while ago, so we have not have not invited them in to testify yet. They are a great family and they will reflect great credit on the Senate family, I think, in this new responsibility that Mark will have.

Thank you, Mr. Chairman.

Chairman CHAMBLISS. Mark, obviously in this Committee, there is no higher recommendation that can come from anyone other than Senator Cochran, so you have got a lot to live up to there. He referenced your children, and you being a good friend of mine for so many years, the only thing I question is your judgment to have four under the age of two. Wow.

Mr. Keenum. I am very blessed.

[Laughter.]

Chairman CHAMBLISS. That is a great attitude to have.

We have statements from Senator Durbin supporting the nomination of Mr. Strom, that we will place in the record.

[The prepared statement of Hon. Richard Durbin can be found on page 32 in the appendix.]

[The prepared statement of Hon. Pat Roberts can be found on page 34 in the appendix.]

[The prepared statement of Hon. Patrick J. Leahy can be found on page 33 in the appendix.]

Mr. KEENUM. Thank you very much, Mr. Chairman.

I would like to introduce my best friend and my wife for the past 22 years, the mother of our four children, my wife, Rhonda Keenum.

And somewhere, I am told, are my children. Here they come.

[Laughter.]

Mr. Keenum. We have 2-year-old triplets and their names are Kathryn, Everett and Mary Phillips. And we have a 7-month-old daughter named Victoria.

[Laughter.]

Mr. Keenum. As I said, Mr. Chairman, I am very, very blessed.

Chairman CHAMBLISS. Your job of crafting a Farm Bill will be easy compared to going home at night.

[Laughter.]

Chairman CHAMBLISS. Ms. Sommers.

Ms. Sommers. Thank you, Mr. Chairman.

My wonderful husband, Mike, is behind me. And we also have a handful at home, a 3-year-old, a 4-year-old and a 2-year-old. And we decided that today was not the day to bring them. It was not a challenge I was up for today.

[Laughter.]

Ms. SOMMERS. Thank you.

Chairman CHAMBLISS. Mr. Strom.

Mr. STROM. Thank you, Mr. Chairman.

Dr. KEENUM. I can offer my wife. I would like to introduce my inspiration of 29 years, Twyla is here with me today. And she, at one time, owned operated a preschool for almost 15 years, so she can help today.

[Laughter.]

Mr. STROM. I have with me also my son, Derek, and his wife, Kim. Derek is nearing the end of his Ph.D. work in particle physics at Fermi Lab in Illinois.

I have with me also my daughter, Amber, who works for the Department of Agriculture at the National Wildlife Research Center in Fort Collins, Colorado; and my youngest son, Tyler, who is a junior at Iowa State University, studying ag business and economics.

Chairman CHAMBLISS. Great. We are glad to have all of those here.

All of you obviously have very impressive, very fine looking families.

Before we take your statements, I would like to ask all three of you to stand and raise your right hand.

To each of you, do you swear that the testimony you are about to provide is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KEENUM. Yes.

Ms. SOMMERS. Yes.

Mr. STROM. Yes.

Chairman CHAMBLISS. To each of you, do you agree that you will appear before any duly constituted Committee of Congress if asked to appear?

Mr. KEENUM. Yes.

Ms. SOMMERS. Yes.

Mr. STROM. Yes.

Chairman CHAMBLISS. Thank you, very much. You may be seated.

We will now take any opening statements that you have. Again, Mark, we will start with you, Jill, and Mr. Strom, and go in that direction.

**STATEMENT OF MARK E. KEENUM, NOMINEE FOR UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES, U.S. DEPARTMENT OF AGRICULTURE**

Mr. KEENUM. Thank you, Mr. Chairman. Thank you, Senator Harkin, as well, and distinguished members of the Committee. I am both honored and humbled to appear before you today for consideration for the position of Under Secretary for Farm and Foreign Agricultural Services.

I would like to express my gratitude to President Bush for nominating me and my appreciation to Secretary Johanns and Deputy Secretary Connor, for the confidence they have bestowed upon me.

I especially want to thank Senator Thad Cochran for his gracious introduction.

I have been extremely fortunate to have been able to serve Senator Cochran as his Legislative Assistant for Agriculture for seven-and-a-half years and as his Chief of Staff for the past 10 years. During my tenure with him, I have learned a tremendous amount. In fact, I have spent many hours in this very room, participating in staff deliberations, Committee hearings and markups addressing numerous issues important to American agriculture.

It has been an honor for me to serve Senator Cochran for these many years and I owe a great deal to him for the person that I am today. He has been a tremendous influence in my life, both professionally and personally. Senator Cochran is a thoughtful and deliberate decisionmaker. He also wants to know the facts and not the rhetoric. Of the many things I have learned from the Senator, the most important is how to treat people, always with dignity and respect.

I was born in Starkville, Mississippi while my father was studying agriculture at Mississippi State University. Early in his profes-

sional life, my father went to work for the U.S. Department of Agriculture. After over 30 years of service with the Natural Resources Conservation Service, he retired and is currently living with my mother on a small farm in the Mississippi Delta. During my father's service with USDA, we lived in several small rural communities throughout Mississippi.

My paternal grandfather also worked for USDA, with the former Soil and Water Conservation Service. He, too, owned a farm in the Mississippi Delta, in addition to owning and managing with my grandmother a small country store. I have very fond memories of riding on a tractor with him as a young boy while he plowed his fields. If confirmed, I would be a third-generation employee of USDA.

I have grown up in and around agriculture all my life. My experience has spanned from working as a farm laborer, a crop scout, an agricultural extension specialist, an agricultural research associate, and an agriculture economics professor, and working with the members and the staff of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry during the consideration of three Farm Bills and other legislative initiatives important to American agriculture.

During my career, I have learned a great deal about the complex nature of agricultural production that farmer's face today. U.S. farmers and ranchers are the most efficient and resilient producers in the world. Our Federal Government has a key role to play in ensuring that U.S. farmers are able to meet the challenges of producing a bountiful supply of safe and affordable food and fiber products, despite the many risks they face.

Farmers also should have the resources and support they need from the Government to produce crops that can help to reduce our Nation's dependency on foreign oil. Additionally, with agricultural exports expected to reach a record of \$68 billion this year, it is imperative for our Government to work aggressively to promote U.S. agricultural products in the international arena while pursuing fair access to vital export markets.

Mr. Chairman, distinguished members, I have spent the greater part of my career working within the Senate family, and therefore I have a keen appreciation for the unique nature of the legislative process. I believe this experience will be especially beneficial during reauthorization of the Farm Bill this coming year. During my tenure, I have especially recognized the importance and the benefits of pursuing solutions in a bipartisan manner.

I can pledge to this Committee that, if confirmed, I will fully dedicate myself to the broad mission of this important office and that I will commit to be accessible to all members and staff.

Again, Mr. Chairman, distinguished members, I want to thank you for allowing me to appear before you today and I welcome any questions or comments.

Thank you Mr. Chairman.

[The prepared statement of Mr. Keenum can be found on page 20 in the appendix.]

Chairman CHAMBLISS. Thank you.

Ms. Sommers.

**STATEMENT OF JILL E. SOMMERS, NOMINEE TO BE COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION**

Ms. SOMMERS. Thank you, Mr. Chairman.

Chairman Chambliss and members of the Agriculture Committee, I am honored to sit before you today as a nominee to be Commissioner at the Commodity Futures Trading Commission.

It is a true honor and privilege for me to be nominated by the President and be considered for this distinguished position.

I would also like to thank Senator Roberts and his staff for their support through this process, as well as the Agricultural Committee staff for their assistance.

I have already recognized my wonderful husband, Mike, who is here with me today and my children, who are at home.

I started working on Capitol Hill over 15 years ago for Senator Bob Dole as an intern during the last semester of my senior year in college at the University of Kansas. I worked for him in various capacities for almost 5 years. And from Senator Dole, I learned the importance of a fair and reasonable decisionmaking process.

I grew up in a small town in Southeast Kansas, Fort Scott. My parents have owned a small business in our farming community for 38 years. My parents taught me the value of hard work and integrity, and I promise to bring all of the values of my Kansas roots with me to the Commission.

During my career, I have had the opportunity to work within the futures industry. It is a fascinating world which is constantly changing and innovating. For example, when I started with the Chicago Mercantile Exchange in 1998, their electronic trading platform was used for overnight or after hours trading and the electronic volume was less than 15 percent of their total volume. Today, the CME trades millions of contracts a day electronically with a system that trades virtually 24 hours.

Fortunately, when Congress was tasked with reauthorizing the Commodity Exchange Act in 2000, they saw that the industry was quickly evolving and they created a framework to give the CFTC the appropriate regulatory tools to keep pace with the development in these markets. This bill and my work on it shaped fundamentally my view of how the Government can and should interact with these markets. The CFMA unleashed the power of the free market on the futures industry and it did it in a way without sacrificing a rigorous enforcement structure at the CFTC.

The CFTC does an outstanding job of encouraging market growth while ensuring the integrity of the market place and protecting market users. The Agency has taken this mission seriously and pursues very aggressive action against wrongdoers in the market.

My regulatory philosophy rests on some of the basic principles Congress stressed during CFMA, fair and flexible supervision while providing strong and independent oversight.

Congress got it right with the CFMA. It did it through encouraging competitiveness and assuring legal certainty. Congress, in its wisdom, understood the truth, that American entrepreneurs and traders are the best in the world if given the power to succeed. Whether you are a farmer trading wheat in Kansas City or a trader in Chicago buying Treasury Bonds, the CFTC regulates each

market with the proper level of oversight. Every one of the contracts traded on each futures and options exchange in the United States plays an important role, and every market participant deserves to have confidence in the integrity and efficiency of those markets.

I understand that there are several challenging issues facing the Commission, but as a mother of three children under five I know how to handle a challenge.

If confirmed by this Committee and the Senate, I would work hard to ensure that the CFTC continues its role of encouraging efficient, transparent and financially sound futures and options markets while protecting the public from fraud, manipulation and abusive practices.

Thank you for the opportunity to appear before you today. I will be happy to answer any questions the Committee may have.

I would also like the record to reflect an oversight on my SF 278 form that I found yesterday while going over it with the Committee staff. On page five of seven, the Chicago Mercantile Exchange stock should be listed as generating income between \$5,001 and \$15,000 due to a sale of stock in June of 2005.

[The prepared statement of Ms. Sommers can be found on page 24 in the appendix.]

Chairman CHAMBLISS. Thank you.

Mr. Strom.

**STATEMENT OF LELAND A. STROM, NOMINEE FOR THE BOARD OF THE FARM CREDIT ADMINISTRATION**

Mr. STROM. Mr. Chairman, Senator Harkin, and distinguished members of the Committee, I also have deeply honored and humbled to have the opportunity to appear before you today as a nominee of the President for the Board of the Farm Credit Administration. And also. I would like to say again, I am very proud to have my family with me today.

I am also very proud to appear before you today with the support of my Senators from Illinois, Richard Durbin and Barack Obama, as well as my Congressman, Speaker J. Dennis Hastert.

Being here today is far from the small dairy farm in which I was raised in Kane County, Illinois. In the late 1800's my grandparents settled in the picturesque rolling hills of the Fox River Valley, about 40 miles west of Chicago, at the time a good day's journey from the city.

One of my earliest farming experiences was at the age of 10 when my brother and I purchased a used John Deere 14T baler and, pulling it behind an Allis Chalmers WD45 tractor on loan from dad, began doing custom hay baling. Fortunately, my brother was older and did most of the wagon loading until I got a little bigger and could actually throw a bale of hay. Those experiences though provided me a strong understanding of the value of a good day's work, along with the satisfaction of a job well done. Today, the city has reached our farm and my small community is faced with the challenges that comes with population growth.

Similarly, the agricultural industry today faces many challenges. The issues of globalization, technology, energy, and trade, are only

a few examples of the myriad of forces shaping the agricultural landscape of the 21st Century.

Over the years, I have had the honor and pleasure of serving the ag industry in a variety of ways, from being a board member of our local farm service cooperative and organizations such as Farm Bureau, to serving as a member of the Federal Reserve Bank of Chicago's Advisory Council on Agriculture, Labor and Small Business.

In regards to this role that I have been nominated for, I hope that you may find me uniquely qualified from an experience standpoint, as I have been a member/borrower of the Farm Credit System for nearly 30 years. Shortly after becoming a borrower in the late 1970's, I was asked to run for the board of the local Production Credit Association and was elected in 1981.

I have over 25 years of service to that organization, as well as serving 9 years on the board of AgriBank, one of the System's district banks. Over the last three decades, there have been many other roles and assignments I have served, which have given me a deep understanding and a great respect for the role the System plays in the agricultural sector and in rural America.

My service to the Federal Reserve has given me a better knowledge of how the Farm Credit System fits into the overall industry that lends to agriculture, which includes the commercial banking sector as well as other sources of agricultural credit.

During the ag crisis of the 1980's I gained a deep understanding of the issues that confront the agricultural and lending industries, and how important having sound business practices can be to reaching success. I have a very profound respect for the importance of the role that the Farm Credit Administration plays as the arms-length safety and soundness regulator of the Farm Credit System.

In closing, I would like to say that I take a strong interest and pride in community and public service. From coaching youth sports at home and serving on my local church and school boards, to the Federal Reserve and the Farm Credit System, I have always considered the calling of public service a high priority in my life and, hopefully, something that I can pass on to my children and future generations.

If you should find me worthy of this position, I look forward to working with you toward a strong and prosperous agricultural and rural America.

I thank the Committee for their time and consideration and look forward to your questions.

[The prepared statement of Mr. Strom can be found on page 26 in the appendix.]

Chairman CHAMBLISS. Thanks very much to all three of you.

Now that Senator Harkin has joined us, Tom, I will turn to you for any opening comments you wish to make. But I want to reiterate what I said in my earlier opening statement, and that is you and I have always had a great working relationship. We have worked in a very bipartisan way. And that has been no better exhibited than by your cooperation and the cooperation of your staff in expediting this hearing, particularly with respect to Jill, as we just got her paperwork in the last day or two.

Thank you for that and I thank Mark and all of your staff for being so cooperative and willing to get this expedited.

As you and I know, it is the best interests of farmers and ranchers across America that this happen and that is the spirit we have always worked in and I thank you.

**STATEMENT OF HON. TOM HARKIN, A U.S. SENATOR FROM IOWA**

Senator HARKIN. Mr. Chairman, thank you and let me might repay that in kind by thank you for your leadership of this Committee over the last couple of years and for your willingness to move ahead on early hearings on the Farm Bill. You went all over the country to get input from people in a lot of different places around America. You came to Iowa, I know, and went to other states. I want to thank you for that.

And I just want you to know that as I assume this gavel, next month I guess, that we intend to pick up on that. I thank you for that. You have laid a great groundwork for the input on the Farm Bill. And I look forward to working with you closely as we develop that next year.

Again, I want to thank you and I want to thank your staff. Martha has been great in working with us through all of this.

And this Committee has always—I have always liked the fact that we sit at a table. It has always been a kind of a nice thing. I do not like these boxes and stuff.

Chairman CHAMBLISS. Better than a submarine.

Senator HARKIN. But it has always been a nice feeling for all of the years I have been here to sit around a table. It just has less of a partisan ring to it and stuff like that. And that is the way we have tried to operate this Committee. I know that we will continue to do the same in the future.

So I just thank you very much for all of your cooperation and everything you have done, and look forward to a very smooth transition and working with you on the upcoming Farm Bill.

I say the same to my good friend, Thad Cochran too. We have always had a great relationship here on this Committee and working with you all. We have got some tough battles ahead. I know that, not so much here, I think budget problems more than anything else, in terms of what we are going to get for our next Farm Bill and everything.

But we have a good Committee, a great Committee. There is a lot of issues out there confronting us that we will be facing down the road.

These three nominees, I have looked at their backgrounds and stuff, and I could not be more pleased with all of your backgrounds and your expertise, and I hope that we can expedite this and get it through the floor soon. I do not know when, Mr. Chairman.

Chairman CHAMBLISS. As soon as possible, tonight or tomorrow.

Senator HARKIN. Before Friday anyway, as I understand we may not be back after Friday.

But I want to thank our three nominees for being willing to serve the Government, to serve the public in these capacities.

As I said, and I will just ask that my statement be made a part of the record, but all three of these positions are very important, very vital to the smooth functioning of our markets, in the case of the Commodity Futures Trading Commission, in terms of the

Under Secretary of Agriculture for Farm and Foreign Agricultural Services, it covers a broad gamut of things that we do. And of course, with the Farm Credit Administration. All three are very vital functions.

I thank you for your past service and for being willing to serve in this capacity, and hopefully we will get this done very soon.

Thank you, Mr. Chairman.

[The prepared statement of Hon. Tom Harkin can be found on page 18 in the appendix.]

I know Senator Coleman has a very important hearing he has to attend in a few minutes, so I am going to defer my questions until the end and I will recognize Senator Coleman initially for any questions he would like to begin with.

Senator COLEMAN. Thank you, Mr. Chairman. I greatly appreciate that courtesy.

I want to make clear that I think these are all extraordinary nominees. I hope that we can move very, very quickly on their confirmations.

I really just have one line of inquiry to Dr. Keenum, and again reflect, stating up front, this is a tremendous nominee.

I have some concerns about things that happened before you are going to get to USDA, particularly regarding the sugar policy, the Sugar Program. The concern I have is we had a sugar market last spring thing that was in balance. There was a disruptive impact on the sugar industry in Minnesota and North Dakota due to bad weather in the beet regions, monstrous hurricanes and cane sugar.

But we had a sugar market in balance, and USDA doubled their inputs to compensate, the market was well supplied, the sugar policy was working as designed.

On July 27, I do not have the charts here to show you, but I am sure you are familiar with it, the USDA, by its own actions, undermined the U.S. sugar market balance and has severely threatened the no-cost operation of our sugar policy.

What happened on that date is USDA issued a decision that sent the market into a nose dive. You can actually see that in some of the graphics. It announced an increase to the then-current import quota of 2005–2006, announced an import quota for 2006–2007 that was more than half a million tons in excess of our WTO and NAFTA import requirements, and promised Mexico generous and unwarranted additional access for the last quarter of 2007.

I think market prices since July 27th have dropped two to three cents per pound, or more than 10 percent. Each one cent drop in price means a loss for industry of \$170 million in the value of this year's crop.

Furthermore, sugar loan forfeitures are now a serious threat, when they were not before. Raw cane sugar prices have already fallen below loan forfeiture levels. Refined beet prices are declining and nearly at forfeiture levels, as well.

Again, doctor, this is something you were not responsible for. But what I would like is from you a commitment to work with us and work with this Committee to restore balance to the U.S. sugar market, eliminate the threat of sugar loan forfeitures that would be very costly to American taxpayers.

Can I get that commitment?

Mr. KEENUM. Absolutely, Senator.

In my review of the situation you described, the Department of Agriculture, in July, did an estimate on U.S. domestic production of sugar and they underestimated sugar yields. And as such, they adjusted the tariff rate quotas to allow more imported sugar to come into the U.S. markets. It had a negative impact when we found out our actual yields were much higher than had been estimated.

It would be my intent, Senator, to sit down and talk with representatives of the sugar industry, get their input on this, talk with the pertinent staff at USDA that has oversight over the sugar program, at FAS and FSA, and get all the facts.

Because the law, as I understand it, is very clear. It requires that the program be managed in a way that there is no net cost to taxpayers. These actions and the estimations of the yields are always unpredictable when you are dealing with yields and weather and whatnot. But I think it is important and incumbent upon the Government and the agencies that have jurisdictions over these important programs to again comply as best they can to the intent of the law. And again, the law says to manage the program at no net cost to the taxpayers.

And because of these actions, we are at very close levels of loan forfeitures. Again, this would be something I would look at and take very seriously if I am confirmed.

Senator COLEMAN. I appreciate that, greatly appreciate it and do look forward to working with you and working with the Chairman and working with this Committee. I know this is critically important, too, on the House side. Colin Peterson represents these area, the Chairman of the Ag Committee.

The observation I have in working with staff on this is that perhaps there was not an understanding that Mexico is a net importer of sugar. So we set up a situation here where we have Mexican sugar farmers are higher cost producers. Nearly half the sugar industry in Mexico is owned and operated by the Mexican government. There is a deficit—Mexico is a deficit producer of sugar and corn sweetener and Mexico is a net importer of sugar.

Somehow, I am not sure if all of this was calculated in that final decisions. So it has had that impact.

Mr. CHAIRMAN. I appreciate, again, your courtesy. These are just a few of the concerns I am hearing from my sugar producers, concerned about unfair trade practices with respect to Mexican sugar, the problems resulting in the failure to enforce NAFTA. And I appreciate your pledge to work with us to address these concerns.

Mr. KEENUM. Absolutely. I look forward to working with you and your staff specifically on this issue, Senator.

Senator COLEMAN. Again, Mr. Chairman, I look forward to strongly supporting these nominations.

Thank you.

Chairman CHAMBLISS. Thank you.

Senator HARKIN.

Senator HARKIN. Thank you, Mr. Chairman. I just had one question for Mr. Keenum.

Mr. Keenum, we included a provision in the 2002 Farm Bill, Section 1614, that directs the Secretary of Agriculture to establish pro-

cedures to track the benefits provided directly or indirectly to individuals and entities. We wrote that section simply because USDA and Congress ought to know where the taxpayers' money is going and there was a lot of concern at that time.

We are now four-and-a-half years from when that requirement was enacted. Unfortunately, the provision has still not been implemented.

If confirmed as Under Secretary, by what date will you be able to bring the Department into lawful compliance with this requirement of the Farm Bill?

Furthermore, could you give a commitment to this Committee that within 90 days of the date of your confirmation, the Department will comply with this requirement of the Farm Bill to assure that Farm Program payments are transparent and can be traced to the individuals who receive the payments? Again, that was in the Farm Bill, the last Farm Bill.

Mr. KEENUM. Yes sir.

I will make every effort to do as you have requested, Senator. I can pledge that.

I do not know the status of where that report is within the Department. I know they have been working on this report and the law does require it and it is public information and it should be made available to the public as soon as it is available to be released.

This will be a priority for me because, again, it is required under, law, and I will make sure that any agencies that I have supervision over will comply with the intent of Congress fully. This is one of those areas.

So yes, Senator, I will pledge to you that, if confirmed, that I will make every effort to do as you have requested.

Senator HARKIN. I appreciate that very much. Thank you.

Mr. STROM. I see that again, you have got a long background in credit and banks, director of your local Production Credit Association, the First Farm Credit Services, AgriBank, and of the Farm Credit Counsel. Obviously great experience. However, it may raise questions about your ability to shift gears now and become an impartial regulator of the System.

Again, what assurances can you give this Committee to demonstrate that you will provide the necessary independent oversight to assure the safety and soundness of the Farm Credit System?

Mr. STROM. Senator, I have given this considerable amount of thought because I do realize that my background in the Farm Credit provides me a unique perspective on the System. But I do realize, as I mentioned in my opening statement, I profoundly understand the relationship that the Farm Credit Administration serves as the safety and soundness regulator. And I commit to you that I will work very hard to fulfill the role as a board member and to see that that administration does provide the oversight of both the Farm Credit System and Farmer Mac that is needed. And I pledge that if tough decisions are needed to be made, I am prepared to make those difficult decisions.

Senator HARKIN. Thank you very much, Mr. Strom.

Mr. Chairman, I do not have any further questions. Thank you and I hope we can get them through.

Chairman CHAMBLISS. Thank you. Mr. Cochran.

Mr. COCHRAN. Thank you, Mr. Chairman.

I do not have any questions but I congratulate all three nominees and look forward, as a member of this Committee, to staying in touch with the work of your agencies and the Department of Agriculture and I will expect that we will probably have an opportunity to hear from you again at hearings and as we work our way through the writing of this next Farm Bill.

I congratulate all of you.

Thank you.

Chairman CHAMBLISS. Thank you.

Mr. Salazar.

Mr. SALAZAR. Thank you very much, Chairman Chambliss.

Let me say at the outset that I very much enjoyed working with you and with the staff on this Committee over the last 2 years. I appreciate your leadership and the work that we have been able to do together. And I look forward to working with all of this Committee, including Senator Harkin as the incoming chairman, to work on the issues that are important to all of us on a bipartisan basis.

I echo Senator Harkin's comments. I think when we sit around this table, I think that the Senators who come here come here because they really do care about rural America and agriculture. And I think that that transcends Democrat or Republican issues and how we move forward in the next several years is something that I am very much looking forward to.

We sit on this Committee, I know, by choice and it is certainly my choice to be here and I look forward to working with all of you.

To the nominees, to Mr. Strom, Ms. Sommers, and Dr. Keenum, I congratulate each of you and your families. I look forward to supporting you in this nomination process. And again, I echo the comments that have been said today, that I hope we are able to get you confirmed very, very quickly.

I have a comment and question, two quick ones.

First, Dr. Keenum, I am concerned about some of the perception that we have around the world on American agriculture. Yesterday I had a meeting, and I think Senator Harkin did as well, with the President of Costa Rica, Oscar Arias. One of the things that he talked about was how it was that American agriculture was being perceived in Latin America and now American agriculture was being seen as the reason why there had been a default and a breakdown on the world trade negotiations.

And so my question to you, in the very important role that you will play, is what steps do you think we can take to try to improve the image internationally that American agriculture has today?

Mr. KEENUM. We have a very robust agricultural industry. This year we are looking at agricultural trade exports that are going to exceed \$68 billion, and projections for this coming we are going to be somewhere in the \$70-plus billion range.

So obviously, we want to have good relations with our trading partners. We depend on their markets. We count on up to nearly a third of what we produced being exported to support producer's incomes and market prices. Like I said, we have to have good rela-

tionships with our trading partners. And it is a two-way street, as well.

So if I am confirmed, I will do everything in my power to always promote and protect the best interest of American agriculture, but do it in a way that is fair and working with our trading partners.

Mr. SALAZAR. I look forward to working with you on those issues because I know that those issues are going to be significant for us over the next several years.

To Mr. Strom, my question to you has to do with the Farm Credit System and credit to be made available in the future with respect to renewable energy initiatives. I think, based on the conversations that this Committee has had over the last year on the new Farm Bill, I think that one of the titles that we would hope to be as robust as possible, and many feel that by some of the publications they will be what we do with respect to renewable energy opportunities across America.

I would like to know what your thoughts are in terms of enhancing and capitalizing on opportunities for renewable energy.

Mr. STROM. Senator, coming from my home State of Illinois, where the ethanol industry now is in a growth phase with many plants under construction, really with other sources of renewable fuels available now and in the future, I am a strong supporter of the area of energy and renewable fuels.

As far as the Farm Credit System, I can commit to you that will I be supportive of looking into that area further. I know that there is a considerable amount of work already going on within the Farm Credit System in some of the financing efforts to help finance construction of renewable fuels, processing facilities, and so forth.

The future is bright, but I also think we have to watch that segment of that industry so that down the road we do not overbuild in that area also.

So I think it is a good and bright prospect for the future. Some warrant caution, probably down the road. But as a regulator of the Farm Credit System, I believe that the Farm Credit System needs to be involved in a very positive and proactive way in the expansion of that arena.

Mr. SALAZAR. THANK YOU.

And thank you, Mr. Chairman.

Chairman CHAMBLISS. Thank you.

Let me just say that I have no specific questions, primarily because Mark, I think I have asked you every question I could ask you over 15 years. I hate, since I have got you under oath, to miss this opportunity. But knowing your background in agriculture, I know what a great job you are going to do. And again, I just want to say to you that I thank you for your willingness to serve.

Jill, you and Mike have been good friends of mine since I have been here, in spite of Mark working on the other side. We are going to excuse that. I really look forward to you going to CFTC.

I have had a close connection with that organization because my son used to work over there and I know how critically important it is to farmers and ranchers to move forward and really do the oversight job they need to do. And under the current leadership there, you are going to be a huge asset to them there.

Mr. Strom, again I have reviewed your record and I know of your long background and your history in farm credit financing, and there is no more critical asset for farmers and ranchers than the ability to borrow money. I know you are going to be, again, a huge asset to this organization, and we thank all three of you for your willingness to serve.

I want to add, in addition to the letters of support previously mentioned, we also have, in support of Mr. Strom, a letter from the National Council of Farm Cooperatives, a letter from the Farm Credit Council, that will be inserted into the record.

[The following information can be found on pages 40 and 42 in the appendix.]

So those will be inserted into the record.

And again, any questions to be submitted for the record, I mention to staff again, must be done by four o'clock this afternoon. We expect to ask a discharge by unanimous consent, with the cooperation again of Senator Harkin, sometime later today and move these nominees within the next couple of days on the floor of the Senate.

Unless there is any further business, we stand adjourned.

Thank you.

[Whereupon, at 10:15 a.m., the hearing was adjourned.]



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**A P P E N D I X**

DECEMBER 6, 2006

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**STATEMENT OF SENATOR TOM HARKIN,**  
**RANKING DEMOCRATIC MEMBER**  
**COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY**  
**HEARING ON NOMINATIONS**  
**DECEMBER 6, 2006**

I am pleased to join Chairman Chambliss in welcoming the nominees who appear before our committee today. Each of them has strong qualifications and credentials, as well as relevant and useful experience to fill important positions with substantial responsibilities. These three nominations cover the gamut of the Committee's responsibility – the Department of Agriculture, the Farm Credit Administration, and the Commodity Futures Trading Commission.

The Under Secretary of Agriculture for Farm and Foreign Agricultural Services is responsible for three distinct and essential agencies at the United States Department of Agriculture. The Farm Service Agency administers the farm commodity programs, farm loan programs, non-insured crop disaster assistance program, other emergency assistance, the Conservation Reserve Program, and commodity operations. The Risk Management Agency administers the federal crop insurance program. The Foreign Agricultural Service has primary responsibility for USDA's overseas market information, access and development programs and administers USDA's export assistance and foreign food assistance. In addition, the Under Secretary serves as one of the Directors of the Commodity Credit Corporation.

The Farm Credit Administration is responsible for regulating and examining the banks, associations, and related entities of the Farm Credit System and the Federal Agricultural Mortgage Corporation ensuring the Farm Credit System fulfills its mission to provide a dependable source of credit for agriculture and rural America. I note that Mr. Strom has the full support of both Illinois Senators.

The Commodity Futures Trading Commission has regulatory responsibility for protecting the integrity, fairness and transparency of our nation's futures and options markets. These are tremendously dynamic and competitive markets, which are vital to the functioning of our nation's economy. The Commission must protect market participants and the public while promoting efficient and internationally competitive markets.

I look forward to hearing the nominees' statements, and I will have some questions at the appropriate time. Thank you Mr. Chairman.

Prepared Statement of  
Dr. Mark E. Keenum  
Nominee for Under Secretary for Farm and Foreign Agricultural Services  
U.S. Department of Agriculture  
Before the United States Senate Agriculture, Nutrition and Forestry Committee  
December 6, 2006

Mr. Chairman, Senator Harkin and distinguished members of the Committee, I am both honored and humbled to appear before you today for consideration for the position of Under Secretary for Farm and Foreign Agricultural Services. I would like to express my gratitude to President Bush for nominating me and my appreciation to Secretary Johanns and Deputy Secretary Conner for the confidence they have bestowed upon me. I especially want to thank Senator Thad Cochran for his gracious introduction.

I have been extremely fortunate to have been able to serve Senator Cochran as his Legislative Assistant for Agriculture for 7 ½ years and as his Chief of Staff for the past ten years. During my tenure with him I learned a tremendous amount. In fact, I have spent many hours in this very room participating in staff deliberations, Committee hearings and mark-ups addressing numerous issues important to American agriculture. It has been an honor for me to serve Senator Cochran for these many years, and I owe a great deal to him for the person that I am today. He has been a tremendous influence in my life, both professionally and personally. Senator Cochran is a thoughtful and deliberate decision maker. He

always wants to know the facts and not the rhetoric. Of the many things I have learned from the Senator, the most important is how to treat people – always with dignity and respect.

I also would like to recognize my best friend and partner in life for the past 22 years, my beloved wife Rhonda, who is the mother of our four children; two year old triplets – Kathryn, Everett, Mary Phillips, and seven month old Victoria.

I was born in Starkville, Mississippi, while my father was studying agriculture at Mississippi State University. Early in his professional life, my father went to work for the U.S. Department of Agriculture. After over 30 years of service with the Natural Resources Conservation Service, he retired and is currently living with my mother on a small farm in the Mississippi Delta. During my father's service with USDA, we lived in several small rural communities in Mississippi.

My paternal grandfather also worked for USDA with the former Soil and Water Conservation Service. He too owned a farm in the Mississippi Delta, in addition to owning and managing with my grandmother a small "country store." I have very fond memories of riding on a tractor with him as a young boy while he plowed his fields. If confirmed, I would be a third generation employee of USDA.

I have grown up in and around agriculture all my life. My experiences span from working as a farm laborer, crop scout, agricultural extension specialist, agricultural research associate, and an agricultural economics professor, to working with the members and staff of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry during the consideration of three Farm Bills and other legislative initiatives important to American agriculture.

During my career, I have learned a great deal about the complex nature of agricultural production that farmers face today. U.S. farmers and ranchers are the most efficient and resilient producers in the world. Our federal government has a key role to play in ensuring that U.S. farmers are able to meet the challenges of producing a bountiful supply of safe and affordable food and fiber products, despite the many risks they face. Farmers also should have the resources and support they need from the government to produce crops that can help to reduce our nation's dependency on foreign oil. Additionally, with agricultural exports expected to reach a record of \$68 billion this year, it is imperative for our government to work aggressively to promote U.S. agricultural products in the international arena while pursuing fair access to vital export markets.

Mr. Chairman and distinguished members, I have spent the greater part of my career working within the Senate family and therefore I have a keen appreciation for the unique nature of the legislative process. I believe this

experience will be especially beneficial during reauthorization of the Farm Bill this coming year. During my tenure, I have especially recognized the importance and the benefits of pursuing solutions in a bipartisan manner. I can pledge to this Committee, that if confirmed I will fully dedicate myself to the broad mission of this important office and that I will commit to be accessible to all Members and staff.

Again, Mr. Chairman, Senator Harkin, and distinguished members of the Committee, I want to thank you for allowing me to appear before you today and I welcome any questions or comments.

Thank you.

**STATEMENT OF JILL E. SOMMERS  
NOMINEE TO BE COMMISSISONER  
OF THE COMMODITY FUTURES TRADING COMMISSION  
DECEMBER 6, 2006**

Chairman Chambliss and Members of the Agriculture Committee, I am honored to sit before you today as a nominee to be a Commissioner at the Commodity Futures Trading Commission. It is a true honor and privilege for the President to nominate me and to be considered for this distinguished position.

I would like to thank Senator Roberts and his staff for their support through this process as well as the agriculture committee staff for their assistance. I would also like to recognize my wonderful husband Mike Sommers, who is here with me today. We have three small children ages 2, 3, and 4 and, as I am sure you understand, we decided would be better left at home today.

I started working on Capitol Hill over 15 years ago for Senator Bob Dole as an intern during the last semester of my senior year of college at the University of Kansas. I worked for him in various capacities for almost five years and from Senator Dole I learned the importance of a fair and reasonable decision making process. I grew up in a small town in Southeast Kansas, Fort Scott. My parents have owned a small business in our farming community for 38 years. My parents taught me the value of hard work and integrity. I promise to bring all of the values of my Kansas roots with me to the Commission.

During my career, I have had the opportunity to work within the futures industry. It is a fascinating world which is constantly changing and innovating. For example, when I started with the Chicago Mercantile Exchange in 1998 their electronic trading platform was used for overnight or after hours trading and the electronic volume was less than 15% of their total volume. Today the CME trades millions of contracts a day electronically with a system that trades virtually 24 hours. Fortunately when Congress was tasked with reauthorizing the Commodity Exchange Act in 2000, they saw an industry that was quickly evolving and they created a framework to give the CFTC the appropriate regulatory tools to keep pace with the development in these markets. This bill and my work on it shaped fundamentally my view of how the government can and should interact with these markets. CFMA unleashed the power of the free market on the futures industry and did it in a way without sacrificing a rigorous enforcement structure at the CFTC.

The CFTC does an outstanding job of encouraging market growth while ensuring the integrity of the marketplace and protecting market users. The agency has taken this mission seriously and pursues very aggressive action against wrongdoers in the markets.

My regulatory philosophy rests on some of the basic principles Congress stressed during CFMA - fair and flexible supervision while providing strong and independent oversight.

Congress got it right in CFMA.

It did it through encouraging competitiveness and assuring legal certainty. Congress in its wisdom understood the truth that American entrepreneurs and traders are the best in the world if given the power to succeed.

Whether you are a farmer trading wheat in Kansas or a trader in Chicago buying Treasury Bonds, the CFTC regulates each market with a proper level of oversight. Every one of the contracts

traded on each futures and options exchange in United States plays an important role and every market participant deserves to have confidence in the integrity and efficiency of those markets.

I understand that there are several challenging issues facing the Commission but as a mother of three children under the age of five, I know how to handle a challenge.

If confirmed by this Committee and the Senate, I would work hard to ensure that the CFTC continues its role of encouraging efficient, transparent and financially sound futures and options markets while protecting the public from fraud, manipulation and abusive practices.

Thank you for the opportunity to appear before you today. I will be happy to answer any questions the Committee may have.

STATEMENT OF LELAND A. STROM  
NOMINEE FOR THE BOARD OF THE FARM CREDIT ADMINISTRATION  
BEFORE THE  
SENATE COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY  
DECEMBER 6, 2006

Mr. Chairman, Senator Harkin, and distinguished members of the Committee, I am deeply honored and humbled to have the opportunity to appear before you today as a nominee of the President, for the Board of the Farm Credit Administration.

Before I begin my comments, I would like to take a moment to recognize some very special people who are with me today.

I take inspiration in my wife of 29 years, Twyla, as she has been my partner in the raising of our family, the farm in Illinois, and in the many activities I have participated in over the years. Twyla's family heritage is also in agriculture, as her grandparents at one time, were neighbors to mine. Our oldest son Derek, is here with his wife Kim. Derek is currently a student at Northwestern University, and is working on the final stage of his PhD in particle physics at Fermi National Accelerator Laboratory in Batavia, Illinois. Our daughter Amber, holds a degree in Animal Science from Southern Illinois University, and is employed by the USDA at the National Wildlife Research Center in Ft. Collins, Colorado. Our youngest son Tyler, is a Junior at Iowa State University, where

he is enrolled in the College of Agriculture studying Ag Business and Economics. As you can see, my family has a passion for the worlds of science and agriculture.

I am also very proud to appear before you today with the support of my Senators Richard Durbin and Barak Obama, as well as my Congressman, Speaker J. Dennis Hastert.

Being here today is far from the small dairy farm on which I was raised in Kane County, Illinois. In the late 1800's, my Grandparents settled in the picturesque rolling hills of the Fox River Valley about 40 miles west of Chicago. At the time, a good days journey from the city. One of my earliest farming experiences was at the age of 10, when my brother and I purchased a used John Deere 14T baler and pulling it behind an Allis Chalmers WD45 tractor on loan from Dad, began doing custom hay baling. Fortunately, my brother was older, and did most of the wagon loading until I got a little bigger and could actually "throw" a bale of hay. Those experiences provided me a strong understanding of the value of a good day's work, along with the satisfaction of a job well done. Today, the city has reached our farm, and my small community is faced with the challenges that population growth brings.

Similarly, the Agriculture Industry faces many challenges today. The issues of globalization, technology, energy and trade, are only a few examples of the myriad of forces shaping the agricultural landscape of the 21<sup>st</sup> Century.

Over the years, I have had the honor and pleasure of serving the agriculture industry in a variety of ways, from being a board member of our local farm service cooperative and organizations such as Farm Bureau, to serving as a member of the Federal Reserve Bank of Chicago's Advisory Council on Agriculture, Labor and Small Business.

In regards to this role I have been nominated for, I hope that you may find me uniquely qualified from an experience standpoint, as I have been a member borrower of the Farm Credit System for nearly 30 years. Shortly after becoming a borrower in the late 1970's, I was asked to run for the board of the local association and was elected in 1981. I have over 25 years of service to that organization as well as serving nine years on the Board of AgriBank, one of the System's district banks. Over the last 3 decades, there have been many other roles and assignments I have served that have given me a deep understanding and great respect for the role the System plays in the Agriculture sector and in Rural America. My service to the Federal Reserve has given me a better knowledge of how the Farm Credit System fits into the overall industry that lends to agriculture, which includes the commercial banking sector as well as other sources of agricultural credit.

During the ag crisis of the 1980's, I gained a deep understanding of the issues that confront the agriculture and lending industries, and how important having sound business practices can be to reaching success. I have a profound respect for the importance of the role that the Farm Credit Administration plays as the arms-length safety and soundness regulator of the Farm Credit System.

In closing, I would like to say that I take a strong interest and pride in community and public service. From coaching youth sports at home and serving on my local church and school boards, to the Federal Reserve and the Farm Credit System, I have always considered the calling of public service a high priority in my life and, hopefully, something I can pass on to my children and future generations.

If you should find me worthy of this position, I look forward to working with you toward a strong and prosperous Agriculture and Rural America.

I thank the Committee for their time and consideration, and look forward to your questions.



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**DOCUMENTS SUBMITTED FOR THE RECORD**

DECEMBER 6, 2006

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RICHARD J. DURBIN  
ILLINOIS  
COMMITTEE ON APPROPRIATIONS  
COMMITTEE ON THE JUDICIARY  
COMMITTEE ON RULES  
AND ADMINISTRATION  
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December 5, 2006

The Honorable Saxby Chambliss  
Chairman  
Senate Agriculture Committee  
328A Russell Senate Office Building  
Washington D.C. 20510

The Honorable Tom Harkin  
Ranking Member  
Senate Agriculture Committee  
731 Hart Senate Office Building  
Washington, DC 20510

Dear Chairman Chambliss and Senator Harkin:

I am writing in strong support of the nomination of Leland Strom of Elgin, Illinois, to be a Member of the Board of the Farm Credit Administration (FCA). I would like to thank you and your staffs for scheduling this confirmation hearing and for working with Mr. Strom through the nomination process.

Leland Strom is well qualified to serve on the Board of the Farm Credit Administration (FCA). The nominee has significant experience in the areas of production agriculture, farm credit, strategic planning, and policy development. Specifically relevant to this nomination is Mr. Strom's depth and breadth of experience with the Farm Credit System. Mr. Strom has held leadership positions on local association and district bank boards as well as on the Board of Directors of AgriBank, First Farm Credit Services, and The Farm Credit Council.

In addition to the various leadership positions Mr. Strom has held in the Farm Credit System, he has been the principal manager of his family's third-generation farm in Kane County, Illinois, for almost 30 years and a successful independent businessman. Mr. Strom also served for six years as an advisor to the Federal Reserve Bank of Chicago on agriculture, labor, and small business issues.

I thank you again for scheduling today's hearing on the nomination of Leland Strom and I ask that the Committee give him its full support.

Enclosed is a statement in support of Mr. Strom that I ask you to include in the hearing record.

Sincerely,



Richard J. Durbin  
United States Senator

A handwritten signature in black ink that reads "Patrick Leahy". The signature is written in a cursive style with a large, looping "L" at the end.

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Statement of Senator Leahy  
Confirmation Hearing for Mark Keenum

**I strongly support the nomination of Mark Keenum to be Under Secretary for Farm and Foreign Agricultural Services.**

**Mark did a great job for this Committee during the last three farm bills.**

**I always appreciated his thoughtful analysis of issues, his knowledge of the farm sector, and his dedication to doing the right thing on behalf of Senator Cochran and the country.**

**His strong educational background in agricultural economics, including a Ph.D., and his dedication to the farming community make him an ideal choice.**

**The President has selected wisely -- I look forward to voting for Mark's confirmation.**



Statement by Senator Pat Roberts  
Nomination Hearing of Jill Somers, Mark Keenum, and Leland Strom  
Senate Agriculture, Nutrition, and Forestry Committee  
December 6, 2006

Mr. Chairman, I want to convey my strong support for the nominations of Jill Sommers to the CFTC and Mark Keenum as Undersecretary at USDA.

Jill is a native Kansan and is a graduate of the University of Kansas. She is well qualified for this position. Having served on the staff of Senator Bob Dole, while also working in several positions in the futures industry, she has the background and understanding necessary to address the difficult issues she will face as CFTC Commissioner. More importantly, being from Kansas she understands agriculture and the significant role the CFTC plays in regulating our agriculture markets. I am convinced she is more than up to the task, and I am proud to support her nomination as a fellow Kansan.

Mr. Chairman, I want to also extend my strong support for Mark Keenum as Undersecretary. The position he will fill is one of the most important positions at USDA – that of undersecretary responsible for all commodity, trade and risk management programs. There is no doubt his experience qualifies him for this job. Furthermore, as someone who has staffed this Committee and served as Chief of Staff to one of our former Chairmen, Senator Thad Cochran, he is someone that we all know and can talk to. He is part of the “Agriculture Committee Family,” and I am pleased to support his nomination as well.

Thank you.

**RESOLUTION**  
**American Association of Crop Insurers**  
**November 27, 2006**

**Whereas**, Dr. Mark Keenum has been nominated by President Bush for Under Secretary of Agriculture for Farm and Foreign Agricultural Services,

**Whereas**, Dr. Keenum is highly and specifically qualified to carry out the duties and responsibilities of this important Department of Agriculture position after having pursued and completed a formal course of study in agricultural economics at Mississippi State University and dedicating nearly two decades of his life to the advancement of farm economics, the agricultural industry, agricultural policy and the rural economy,

**Whereas**, Dr. Keenum is very knowledgeable regarding the legislative process and the art and science of policy development as a result of his long tenure as Legislative Assistant and Chief of Staff to Senator Thad Cochran (R-MS), who during this time served as Chairman of the Committee on Agriculture, Nutrition and Forestry and as Chairman of the Committee on Appropriations as well as the Subcommittee on Agriculture Appropriations,

**Whereas**, Dr. Keenum has demonstrated a great appreciation of and deep understanding for the value and utility of bipartisan solutions to agriculture challenges and opportunities, and

**Whereas**, Dr. Keenum has a proven record of working effectively with a wide array of people, interest groups and organizations on behalf of farmers, the agriculture industry and rural America.

**Therefore, let it be resolved**, the American Association of Crop Insurers supports and endorses the nomination of Dr. Mark Keenum to be Under Secretary of Agriculture for Farm and Foreign Agricultural Services and urges the United States Senate to confirm his nomination in December 2006.

## COPELAND, COOK, TAYLOR & BUSH

A PROFESSIONAL ASSOCIATION

ATTORNEYS AT LAW

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 GLENN GATES TAYLOR  
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 JEFFERSON P. W. SKELTON  
 LEE HOWELL  
 J. WADE SWEAT  
 RANDALL E. DAY III  
 JULIE BOWMAN MITCHELL  
 D. JAMES BLACKWOOD, JR.  
 DALE G. RUSSELL  
 BRUCE MCKINLEY  
 JANET G. ARNOLD  
 ROBERT C. RICHARDSON  
 PATRICIA E. FERLIHY  
 SAMUEL S. GOZA  
 MICHELLE C. PARTRIDGE  
 WILLIAM O. BROWN, JR.  
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December 5, 2006

FRANK JOHN KOLB IV  
 WILLIAM B. STEWART  
 REBECCA BLUNDEN  
 J. MICHAEL COLEMAN  
 ABIGAIL M. MARBURY  
 WALKER R. GIBSON  
 L. MICHELE McCAIN  
 CARYN L. ANLAGE  
 KAREN L. GUNN  
 LORI JORDAN GRAHAM  
 ROY A. NOWELL, JR.  
 B. WADE SMITH  
 ANDY LOWRY  
 CHRISTY M. SPARKS  
 ELLEN PATTON  
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 BARRY D. HASSELL  
 ALLISON C. SIMPSON  
 F. VANCE DALY  
 MARISA C. ATKINSON  
 PHILIP J. CHAPMAN  
 STEPHANIE EDGAR  
 STEPHANIE B. WOOD  
 DANNY RUHL  
 JAMES D. BOONE  
 M. SCOTT JONES  
 JESSE S. NEW, JR.  
 LINDSEY M. TURK  
 OF COUNSEL  
 ROBERT L. GOZA  
 RONNIE MUSGROVE

The Honorable Chairman Saxby Chambliss  
 Senate Committee on Agriculture, Nutrition, and Forestry  
 Senate Russell Office Building  
 Washington, DC 20510-6000

Dear Chairman Chambliss:

I am writing in support of the nomination of Mark Everett Keenum to be the Undersecretary of Agriculture for farm and foreign agricultural services and a member of the board of directors of the Commodity Credit Corporation. I would request the Senate Agriculture, Nutrition and Forestry Committee promptly approve his nomination.

As the former Governor and Lieutenant Governor of the state of Mississippi, I have worked closely with Mark on a bipartisan basis on a number of agriculture issues critical to the State of Mississippi as well as the nation and have nothing but the highest regard for his knowledge and abilities. As a graduate and former Assistant Professor of Economics at Mississippi State University, Mark's expertise in the field of agriculture is unparalleled in the State. Further, Mark's instrumental role in the passage of the last three farm bills makes him an excellent candidate for this nomination. Clearly, no one is more qualified on agricultural policy for this position than Mark.

Finally, I not only consider Mark a colleague, but also a close friend. In my years of work in the state of Mississippi I have seen Mark rise from a Legislative Assistant to the Chief of Staff of Senator Thad Cochran. This progression is clearly a reflection of his honesty, diligence and

Chairman Saxby Chambliss  
December 5, 2006  
Page 2

fortitude. It has been a pleasure to work with him and I know that he will serve the Secretary well as the Undersecretary of Agriculture.

Thanks you for your consideration.

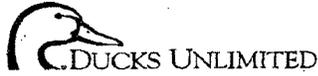
Very truly yours,

COPELAND, COOK, TAYLOR & BUSH, P.A.

A handwritten signature in black ink, appearing to read "Ronnie Musgrove", written over a faint, larger version of the same signature.

Ronnie Musgrove

RM:gf



GOVERNMENTAL AFFAIRS OFFICE  
1301 Pennsylvania Avenue NW, Suite 402  
Washington, DC 20004-1726  
(202) 347-1530 Fax (202) 347-1533  
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December 1, 2006

The Honorable Saxby Chambliss, Chairman  
The Honorable Tom Harkin, Ranking Member  
U.S. Senate Committee on Agriculture, Nutrition and Forestry  
328A Russell Senate Office Building  
Washington, D.C. 20510

Dear Chairman Chambliss and Ranking Member Harkin,

Ducks Unlimited knows that the Senate will soon consider Dr. Mark Keenum's nomination to become Under Secretary for Farm and Foreign Agricultural Services at the Department of Agriculture. As Congress and the Administration prepare to debate new farm legislation and to address a range of agriculture issues, we believe it is important to place a knowledgeable leader in this important position.

In our efforts to chart the course for the future of waterfowl conservation in the United States we have worked with Mark and have appreciated his support and willingness to consider the issues and resolve problems. He has been very supportive of voluntary, private-landowner friendly conservation programs to restore, manage and protect important wildlife habitats.

Mark has also demonstrated a deep appreciation for the importance of working with a cross-section of players to successfully achieve results. He has been deeply involved in the development of the last three farm bills during periods when both parties have alternately controlled the House, Senate and the White House demonstrating an ability to work in a bipartisan way. Throughout his distinguished career he has demonstrated an ability to work with diverse interests to develop and implement effective policies that address production agriculture, conservation, and trade policy.

We hope this information is useful to you as the Senate conducts the confirmation process.

Sincerely,

Scott Sutherland  
Director of the Governmental Affairs Office



**International Dairy Foods Association**  
Milk Industry Foundation  
National Cheese Institute  
International Ice Cream Association

November 28, 2006

The Honorable Saxby Chambliss  
Chairman, Senate Agriculture, Nutrition & Forestry Committee  
United States Senate  
416 Russell Senate Office Building  
Washington, DC 20510

Dear Chairman Chambliss:

On behalf of the International Dairy Foods Association (IDFA), I would like to support the nomination of Mark E. Keenum, to be Under Secretary of Agriculture for Farm and Foreign Agricultural Services (FFAS) and to be a Member of the Board of Directors of the Commodity Credit Corporation.

IDFA represents the nation's dairy manufacturing and marketing industries and their suppliers, with a membership of 530 companies representing a \$90-billion a year industry. Representing the Milk Industry Foundation, the National Cheese Institute, and the International Ice Cream Association, IDFA represent more than 85% of the milk, cultured products, cheese and frozen desserts produced and marketed in the United States.

For many years, Mark has been a strong supporter of U.S. agriculture, and, in particular, recognized the integral partnership that exists between dairy producers and processors. He is an excellent choice to lead the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency and the many programs under these agencies that are of great importance to our milk, ice cream, and cheese company members. I am confident that Mark will provide thoughtful leadership and consider the long-term economic health of the entire dairy industry as he guides these agencies. Under his direction, I look forward to USDA's continued commitment to proven risk management tools for dairy, such as forward contracting, and the opportunity to discuss how to rationalize and update U.S. dairy programs.

Mark's background and experience make him an ideal nominee for this position. We look forward to working with him and the Senate Agriculture Committee to improve the long term viability of America's dairy producers and processors.

Please let me know if there is anything we can do at IDFA to assist you in making this nomination a success.

My best regards,

Connie Tipton  
President and CEO

Cc: Senator Tom Harkin  
The Honorable Mike Johanns, Secretary of Agriculture



NATIONAL COUNCIL OF FARMER COOPERATIVES

December 5, 2006

The Honorable Saxby Chambliss  
Chairman  
Committee on Agriculture, Nutrition and Forestry  
United States Senate  
328-A Senate Russell Building  
Washington, DC 20510

Dear Mr. Chairman:

The National Council of Farmer Cooperatives wishes to take this opportunity to express its strong support for the nomination of Leland Strom to be a member of the Farm Credit Administration Board.

Mr. Strom, we believe, is an outstanding choice for this important position. He has an extensive background in production agriculture, the agriculture real estate market as well as agricultural finance. Throughout his career he has also held a number of important leadership positions, including service on the Federal Reserve Bank of Chicago Advisory Council and as a producer member and director within the Farm Credit System. He has also been active in various farm and related organizations.

For these reasons, we urge his favorable consideration and respectfully request that the Senate act as expeditiously as possible to approve his nomination.

NCFC is the national trade association representing America's farmer cooperatives. There are over 3,000 farmer cooperatives across the U.S. whose member owners include a majority of our nation's farmers and ranchers. These farmer-owned businesses handle, process and market virtually every type of agricultural commodity grown or produced in the U.S.; manufacture, distribute and sell a variety of farm inputs, including energy; and are an important source of credit and related financial services on behalf of and for the mutual benefit of their farmer members.

Sincerely,

A handwritten signature in cursive script that reads "Jean-Mari Peltier".

Jean-Mari Peltier  
President & CEO



## National Milk Producers Federation

National Milk Producers Federation • 2101 Wilson Blvd., Arlington, VA 22201 • 703-243-6111 FAX 703-841-9328

Agri-Mark, Inc.  
 Arkansas Dairy  
 Cooperative Association  
 Associated Milk  
 Producers, Inc.  
 California Dairies, Inc.  
 Case-Clay  
 Creamery, Inc.  
 Commercial Dairy  
 Products, Inc.  
 Cooperative Milk  
 Producers Assn.  
 Dairy Farmers  
 of America, Inc.  
 Dairyman's Marketing  
 Cooperative, Inc.  
 Dairyline Cooperative Inc.  
 Edgewood Cooperative  
 Creamery  
 Farmers Cooperative  
 Creamery  
 Flag Summit  
 Association  
 Farnsworth Farms USA  
 Herold's Creamery  
 Just Dairy  
 Cooperative, Inc.  
 Land O'Lakes, Inc.  
 Lone Star Milk  
 Producers, Inc.  
 Madison Milk  
 Producers Coop.  
 MD & VA Milk  
 Producers Cooperative  
 Association, Inc.  
 Michigan Milk  
 Producers Assn.  
 Midwest Dairyman's  
 Company  
 Niagara Milk  
 Cooperative, Inc.  
 Northwest Dairy  
 Association  
 Pacific Farms  
 Dairy, Inc.  
 St. Albans Cooperative  
 Creamery, Inc.  
 Solano County Coop  
 Milk Producers' Assn.  
 Subject Milk  
 Producers, Inc.  
 Susquehanna Milk, Inc.  
 Valley Dairy Farms, Co.  
 Vermont County  
 Creamery Assn.  
 United Dairyman  
 of Arizona  
 Uppshaw Farms  
 Cooperative Inc.  
 Va Milk Producers

November 17, 2006

The Honorable Saxby Chambliss  
 Chairman, Senate Agriculture Committee  
 328A Russell Senate Office Building  
 United States Senate  
 Washington, D.C. 20510

The Honorable Tom Harkin  
 Ranking Democratic Member, Senate Agriculture Committee  
 731 Hart Senate Office Building  
 United States Senate  
 Washington, D.C. 20510

Dear Chairman Chambliss and Ranking Member Harkin:

I am writing to express the support of the National Milk Producers Federation (NMPF) for Dr. Mark Keenum, the nominee for USDA Under Secretary for Farm and Foreign Agricultural Services. We hope the Senate Agriculture Committee, following the necessary hearing and deliberations, will act swiftly to approve Dr. Keenum.

The areas that Dr. Keenum would oversee will require particularly skillful direction in the coming years. Dr. Keenum would be charged with overseeing the operation of several important dairy programs such as the Dairy Price Support Program and the Dairy Export Incentive Program. Also, as you well know, we are at a crucial point in the World Trade Organization negotiations and careful analysis will be needed to determine how to arrive at a balanced outcome in those talks. As such, the National Milk Producers Federation is eager to see an individual of Dr. Keenum's caliber and experience in this position.

Dr. Keenum's strong educational credentials and many years of service focused on vital agricultural issues with Senator Cochran's office will serve him well in carrying out the duties of the position of Under Secretary for Farm and Foreign Agricultural Services. NMPF's staff has had the pleasure of working with Dr. Keenum for several years now in pursuit of policies beneficial to dairy producers in Mississippi and throughout this country. We hope that the members of the Senate Agriculture Committee, and the Senate overall, will also acknowledge his remarkable capabilities by acting quickly to confirm Dr. Keenum.

Yours truly,

Jerry Kozak  
 President and Chief Executive Officer

Charles Beckendorf, Chairman

Jerry Kozak, President/Chief Executive Officer

[www.nmpf.org](http://www.nmpf.org)

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## THE FARM CREDIT COUNCIL

50 F STREET, NW • SUITE 900 • WASHINGTON, DC 20001 • 202/626-8710

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December 5, 2006

The Honorable Saxby Chambliss  
Chairman  
Committee on Agriculture, Nutrition and Forestry  
Room SR-328A  
U. S. Senate  
Washington, DC 20510

Dear Mr. Chairman:

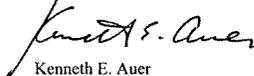
I am writing to express the strong support of the Farm Credit Council for President Bush's nomination of Leland Strom to be a member of the Farm Credit Administration board.

The Farm Credit Administration (FCA) has a vital role to play as the regulator of the institutions of the Farm Credit System. The agency oversees the safety and soundness of System institutions and works to ensure that the System is fulfilling the mission that Congress established for the System – to be a reliable, competitive, customer-owned source of credit and related services to all types of agricultural producers, the businesses they rely on, and others in rural America.

We believe Mr. Strom is very well qualified to serve as a member of the FCA board. As a life long farmer he understands agriculture. With experience as a director both at a local, direct lending association as well as at a Farm Credit bank, he understands the business of finance and credit as well as the role of good governance in maintaining safe and sound operations at a financial institution. As an advisor to the Federal Reserve Bank of Chicago, he has the breadth of view regarding the agricultural finance industry that is very important in fulfilling the role of an FCA board member. He undoubtedly meets the statutory qualifications established by Sec. 5.8 (e) of the Farm Credit Act.

Mr. Chairman, we appreciate your Committee's timely consideration of Mr. Strom's nomination. Effective regulation is important to the success of the Farm Credit System and its ability to fulfill its mission. We share the confidence President Bush has shown in Mr. Strom by nominating him for this position and urge that action on this be completed before the close of this Congress.

Sincerely,



Kenneth E. Auer  
President and CEO

cc: The Honorable Tom Harkin, Ranking Member  
Committee on Agriculture, Nutrition and Forestry



*Rural America's Customer-Owned Partner*

WASHINGTON FAX: (202) 626-8718  
www.fccouncil.com

November 27, 2006

The Honorable Saxby Chambliss, Chairman  
Committee on Agriculture, Nutrition and Forestry  
328A Russell Senate Office Building  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

The undersigned organizations are writing to express our support for the nomination of Dr. Mark Keenum to serve as Under Secretary for Farm and Foreign Agricultural Services. We respectfully request a hearing be held at the earliest date and urge the Senate to act expeditiously to confirm his nomination.

First, we believe that it is important the Senate move in a timely fashion to confirm this nomination. Efforts are underway to restart the Doha Round trade negotiations, the Administration is preparing a critical defense of U.S. farm programs before the World Trade Organization, and the Administration's position on the next farm bill is being developed. It is important that the Under Secretary's position be filled as soon as possible to ensure the Department of Agriculture is fully prepared to take on these and other challenges.

Second, we believe Mark is exceptionally well-qualified to serve as Under Secretary for Farm and Foreign Agricultural Services. He has an excellent educational background having received his Ph.D. from Mississippi State University. He also has extensive experience in the development and implementation of farm and trade policy acquired during his tenure as Legislative Assistant and Chief of Staff to Senator Thad Cochran during Senator Cochran's service as Chairman of the Committee on Agriculture, Nutrition and Forestry and as Chairman of the Committee on Appropriations.

During his distinguished service, Mark has gained a deep appreciation for the importance of working in a bipartisan manner to successfully achieve results for U.S. agriculture. Mark has been deeply involved in the development of the last three farm bills which occurred during periods when Republicans and Democrats alternately controlled the House and Senate as well as the White House. Throughout his distinguished career he has demonstrated an ability to work with diverse interests to develop and implement effective policies that address production agriculture, conservation, and trade policy.

Our organizations represent a significant number of those who work in the food and agriculture sector. As Congress and the Administration prepare to debate new farm legislation and to address a range of trade policy challenges, we believe it is critically important to place a proven leader in this key position as expeditiously as possible. We believe Dr. Keenum is well-qualified for the position and we urge his confirmation.

Sincerely,

American Farm Bureau  
American Soybean Association  
National Farmers Union  
National Cotton Council  
Agriculture Development International, Inc.  
Agricultural Retailers Association  
American Association of Crop Insurers  
American Bankers Association  
American Beekeeping Federation  
American Beverage Association  
American Cotton Shippers Association  
American Crystal Sugar Company  
American Feed Industry Association  
American Nursery and Landscape Association  
American Peanut Product Manufacturers, Inc.  
American Seed Trade Association  
American Sheep Industry Association  
American Society of Farm Managers and Rural Appraisers  
American Sugar Alliance  
American Sugar Cane League  
American Sugarbeet Growers Association  
Biotechnology Industry Organization  
CoBANK  
Corn Refiners Association  
CropLife America  
Farm Credit Council  
Florida Sugar Cane League  
Hawaii Sugar Growers  
Hardwood Federation  
Independent Community Bankers of America  
International Dairy Foods Association  
National Agricultural Aviation Association  
National Alliance of Independent Crop Consultants  
National Association of Conservation Districts  
National Association of Wheat Growers  
National Barley Growers Association  
National Cattlemen's Beef Association  
National Chicken Council  
National Corn Growers Association  
National Council of Farmer Cooperatives  
National Grain and Feed Association  
National Grain Trade Council  
National Milk Producers Federation  
National Oilseed Processors Association  
National Pork Producers Council

National Renderers Association  
National Sorghum Producers  
National Sunflower Association  
National Turkey Federation  
National Wild Turkey Federation  
North American Export Grain Association  
Northeast States Association for Agricultural Stewardship  
Oregon Association of Nurseries  
Pet Food Institute  
Renewable Fuels Association  
Rice Belt Warehouses, Inc.  
Rio Grande Valley Sugar Growers (Texas)  
Society of American Florists  
South East Dairy Farmers Association  
Southern Peanut Farmers Federation  
Southwest Peanut Growers' Association  
Sugar Cane Growers Cooperative of Florida  
Sunkist Growers  
Sweetener Users Association  
The Fertilizer Institute  
U.S. Canola Association  
U.S. Rice Producers Association  
USA Dry Pea and Lentil Council  
USA Rice Federation  
United Dairymen of Arizona  
United Egg Association  
United Egg Producers  
United States Apple Association  
United States Beet Sugar Association  
United States Dry Bean Council  
Western Peanut Growers Association

cc: The Honorable Tom Harkin, Ranking Member



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**QUESTIONS AND ANSWERS**

DECEMBER 6, 2006

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## Questions from Senator Baucus for Dr. Keenum

1. In October 2005, the Administration put forward a very "bold" offer to cut U.S. domestic farm supports by 60 percent. However, this was contingent on other WTO members accepting a very ambitious U.S. tariff cut proposal. This proposal was rejected by our trading partners and it is clear that what they are willing to do on market access will come nowhere close to U.S. demands.

I am deeply concerned, that despite this, high-level Administration officials continue to indicate that they are prepared to make even deeper cuts in domestic support. Can we rely on you to work for a strong Administration position that will reject major cuts in ag support unless U.S. demands are met and preserve our options in fashioning a new Farm Bill?

2. In a June 1, 2006 letter to the President, the program commodity organizations urged that, given the resistance of other WTO members to U.S. demands, the U.S. should not offer any further concessions on its domestic support programs and, in fact, the U.S. should reduce its proposed cut of 60 percent in farm support. Do you agree with this position?
3. Recent press reports indicate that WTO Director-General Lamy in meeting with the Indian Trade Minister expressed the view that the U.S. (and the EU) must make further concessions before developing countries should be asked to move further on market access. Given the importance of developing country markets to U.S. ag exporters and the fact that current developing country offers on market access are virtually worthless, wouldn't this be a very foolhardy course action by the U.S.? Can we rely on you oppose such an unwise course of action in the Administration's deliberations?
4. Currently the Farm Service Agency is evaluating options that include closing county offices in Montana. As the Farm Service Agency moves forward with these plans are you willing to visit with me to discuss Montana's office closures?

**Submitted Questions  
Senator Mike Crapo  
Senate Agriculture Committee  
Nominations Hearing  
December 6, 2006**

Mark Everett Keenum

(Nominee for Under Secretary of Agriculture for Farm and Foreign Agricultural Services)

1. Beginning with the 2007 crop year, the U.S. Department of Agriculture (USDA) Risk Management Agency (RMA) is pilot testing a Rainfall Index Pilot crop insurance program for Pasture, Rangeland and Forage (PFR) in 220 counties in the States of Colorado, Idaho, Pennsylvania, South Carolina, and North Dakota. While I appreciate the Department making additional risk management tools available to producers, I am concerned with USDA requiring recipients of a crop disaster payment on a forage loss for 2003, 2004, or 2005 in these pilot counties to purchase coverage under this new untested pilot crop insurance program or be penalized by having to return disaster assistance payments. Such a requirement is counter to the intent of Congress when enacting crop insurance and disaster assistance legislation.

I have been in contact with Secretary Johanns and others at USDA regarding this matter. Will you work with me to resolve this issue that has unfortunately placed a significant number of producers in Idaho and nationwide in a difficult situation?

2. I have urged the Department on a number of occasions to act swiftly to promulgate the regulations needed to close a loophole allowing imports of sugar beet thick juice to undermine the sugar marketing allotment program. Allowing a sugar processor that is subject to a marketing allotment to sell unlimited amounts of sugar it makes from imported thick juice undermines the domestic sugar marketing allotment program's supply-balancing function and penalizes sugar processors and foreign exporters of sugar who abide by the sugar marketing laws and regulations. Such a result invites additional schemes to evade the intent of the 2002 Farm Bill.

Despite Under Secretary J.B. Penn agreeing in May 2006 that thick juice imports "are a means of circumventing provisions of our programs for domestic and imported sugar" and stating that the Department was promulgating regulations to address the issue, the Department did not issue an Advanced Notice of Proposed Rulemaking until September 8 that

proposed no specific rules and instead questioned whether addressing this problem would be either "desirable" or "equitable."

I continue to urge the Department to take quick action to put forward the regulations necessary to close this loophole. Will you work with me to address this issue and ensure effective operation of the U.S. domestic and import sugar program?

**Questions for Mark Keenum**

**Nominee for Under Secretary of Agriculture for Farm and Foreign Agricultural Services and to be a Member of the Board of Directors of the Commodity Credit Corporation**

1. USDA's improper payments review found that 11 percent of the Farm Service Agency payments audited were made improperly. Fortunately, only 1 percent involved incorrect disbursement. The overwhelming majority were attributed to incomplete or missing paperwork.

**To help ensure the integrity of the farm programs, what will you do to make sure that all FSA paperwork is properly completed? Will you report back to this Committee on the progress at FSA?**

2. An audit conducted by the USDA Office of Inspector General found that the Farm Service Agency improperly donated approximately 24.7 million pounds of nonfat dry milk worth nearly \$20 million to a private feed mill and affiliated research center for "catfish nutrition research", and that FSA later pursued a single source restricted sale of nonfat dry milk against the advice of the Office of General Counsel. This audit also referenced contacts between Senate Agriculture Committee staff and USDA managers regarding this donation.

**Please answer for the record when you learned of the nonfat dry milk donation and of the discussions between Agriculture Committee staff and the Farm Service Agency personnel who approved the donation?**

3. OIG recommended that FSA develop a cohesive management control structure within Commodity Operations for the disposition of CCC commodities to include the management decision process to properly evaluate sales and/or donation options. FSA agreed to develop and implement a decision process for all CCC inventory disposition decisions by March 2007.

**If confirmed as Under Secretary, will you ensure that this OIG recommendation is implemented, and will you provide oversight during your tenure to see that the reforms are working properly?**

4. The management of US food aid programs is split between USDA and USAID. USDA oversees Title I, Section 416(b), Food for Progress, the Bill Emerson

Humanitarian Trust, and the McGovern/Dole Food for Education and Child Nutrition Program. Until recently, fighting world hunger was included in the mission statement for the Foreign Agricultural Service. During the recent reorganization of FAS, this language was removed as the agency moved to focus more on trade capacity building activities. This change in emphasis has generated questions about USDA's ability to continue to operate these congressionally mandated food aid programs.

**How do you see USDA's role in addressing global hunger issues?**

**Also in light of FAS's new emphasis on market development and trade capacity building, how do you see the agency advancing the first UN Millennium Goal of cutting in half by 2015 the number of people worldwide who suffer from hunger and malnutrition, which the United States adopted along with the other 188 members of the United Nations back in 2000?**

5. Section 3013 of the 2002 farm bill directed USDA and USAID to improve and ensure the quality, safety, nutrient delivery and shelf-life of food aid products. Yet, over the past few years, multiple problems have developed with product quality and complaint intake and management, including an episode a few years ago where a particular production batch of a food aid product was tainted and had to be withdrawn from distribution. As a result, I fear that the reputation of U.S. food aid programs and our ability to serve the nutritional needs of recipients are at stake.

**What steps will you take to assure that these issues stemming from food aid product quality are addressed promptly and as intended in the 2002 farm bill?**

**Questions for Leland Strom  
Nominee to be a Member of the Farm Credit Administration Board**

1. As someone who has borrowed from the Farm Credit System and who has served as a director in every aspect of the System, you must have a unique perspective of the System.

**What do you think are the strengths and weaknesses of the Farm Credit System?**

**Are there specific risks to the System that the Farm Credit Administration must be prepared to address?**

2. The number of farm credit banks and associations has been declining for a number of years. One consequence of consolidation can be less direct borrower/member involvement in the operation of the System institutions.

**What effect do you think this has had on the original concept of cooperative ownership and borrower control?**

3. Over the next two decades it is estimated that 400 million acres of agriculture land will be transferred to new owners. The future health of agriculture depends on policies to encourage a new generation of farmers and ranchers to work in agriculture. With rising costs of land, equipment, and energy inputs, young and beginning farmers need access to adequate credit.

**How can the Farm Credit Administration facilitate lending to serve the future needs of our next generation of farmers?**

**Questions for Jill Sommers**

**Nominee for Commissioner of the Commodity Futures Trading Commission**

1. The current Congress has been unable to reauthorize the Commodity Exchange Act, in part because of widespread concerns over the lack of regulation of over-the-counter and offshore transactions in energy derivatives. Those of us who believe that energy derivatives should be subject to greater transparency and oversight understand that if there is market manipulation it affects all energy consumers. We would like to expand the Commission's jurisdiction to require greater transparency and oversight of energy transactions.

**What role do you see for the Commodity Futures Trading Commission to assure that energy markets are transparent and that consumers are protected from price manipulation in the energy markets?**

**Submitted Questions for the Record from Senator Max Baucus  
Senate Agriculture Committee  
Nominations Hearing  
Dr. Mark Keenum  
Nominee, Under Secretary for Farm and Foreign Agricultural Services  
Nominee, Member of the Board of Directors of the Commodity Credit Corporation  
December 6, 2006**

**Question #1:**

In October 2005, the Administration put forward a very "bold" offer to cut U.S. domestic farm supports by 60 percent. However, this was contingent on other WTO members accepting a very ambitious U.S. tariff cut proposal. This proposal was rejected by our trading partners and it is clear that what they are willing to do on market access will come nowhere close to U.S. demands.

I am deeply concerned, that despite this, high-level Administration officials continue to indicate that they are prepared to make even deeper cuts in domestic support. Can we rely on you to work for a strong Administration position that will reject major cuts in ag support unless U.S. demands are met and preserve our options in fashioning a new Farm Bill?

**Answer #1:**

The United States put forward a very ambitious offer as part of the WTO negotiations. It is my understanding that the Administration offered to reduce subsidies, but firmly stated that, in exchange, other countries must offer greater market access. If confirmed, I commit to be a strong trade advocate on behalf of American agriculture within the Administration.

**Question #2:**

In a June 1, 2006 letter to the President, the program commodity organizations urged that, given the resistance of other WTO members to U.S. demands, the U.S. should not offer any further concessions on its domestic support programs and, in fact, the U.S. should reduce its proposed cut of 60 percent in farm support. Do you agree with this position?

**Answer #2:**

It is my understanding that the Administration has negotiated their position on domestic support contingent on a successful round of negotiations, including real improvements in market access. The U.S. demonstrated significant leadership, and if confirmed, I will do everything that I can to further efforts to achieve effective market access and protect and promote the best interests of American farmers and ranchers.

**Question #3:**

Recent press reports indicate that WTO Director-General Lamy in meeting with the Indian Trade Minister expressed the view that the U.S. (and the EU) must make further concessions before developing countries should be asked to move further on market access. Given the importance of developing country markets to U.S. ag exporters and the fact that current developing country offers on market access are virtually worthless, wouldn't this be a very foolhardy course of action by the U.S.? Can we rely on you to oppose such an unwise course of action in the Administration's deliberations?

**Answer #3:**

I understand that Secretary Johanns stated that India and other developing countries will not receive the benefits of trade from the Doha Round if special products, sensitive products, and the special safeguard mechanism exclude large numbers of tariff lines from reductions. In my opinion, the Doha Round should be about reducing barriers and not building them.

**Question #4:**

Currently, the Farm Service Agency is evaluating options that include losing county offices in Montana. As the Farm Service Agency moves forward with these plans, are you willing to visit with me to discuss Montana's office closures?

**Answer #4:**

I have a keen appreciation for the unique relationship between Members of Congress and their constituents and commit to being accessible to all Members and staff.

I agree with the process that Congress has laid out regarding office consolidations and recognize the important role that FSA offices play to farmers and ranchers. If confirmed, I commit that FSA will work with your office in advance of any action taking place.

**Submitted Questions for the Record from Senator Mike Crapo**  
**Senate Agriculture Committee**  
**Nominations Hearing**  
**Dr. Mark Keenum**  
**Nominee, Under Secretary for Farm and Foreign Agricultural Services**  
**Nominee, Member of the Board of Directors of the Commodity Credit Corporation**  
**December 6, 2006**

**Question #1:**

Beginning with the 2007 crop year, the U.S. Department of Agriculture (USDA) Risk Management Agency (RMA) is pilot testing a Rainfall Index Pilot crop insurance program for Pasture, Rangeland and Forage (PFR) in 220 counties in the States of Colorado, Idaho, Pennsylvania, South Carolina, and North Dakota. While I appreciate the Department making additional risk management tools available to producers, I am concerned with USDA requiring recipients of a crop disaster payment on a forage loss for 2003, 2004, or 2005 in these pilot counties to purchase coverage under this new untested pilot crop insurance program or be penalized by having to return disaster assistance payments. Such a requirement is counter to the intent of Congress when enacting crop insurance and disaster assistance legislation.

I have been in contact with Secretary Johanns and others at USDA regarding this matter. Will you work with me to resolve this issue that has unfortunately placed a significant number of producers in Idaho and nationwide in a difficult situation?

**Answer #1:**

I recognize the importance of providing farmers and ranchers with risk management tools. If confirmed, I will work with you, the Secretary, and others to ensure that programs such as the Rainfall Index Pilot crop insurance pilot program for Pasture, Rangeland, and Forage are implemented in a way that is farmer-friendly and in keeping with the intent of Congress.

**Question #2:**

I have urged the Department on a number of occasions to act swiftly to promulgate the regulations needed to close a loophole allowing imports of sugar beet thick juice to undermine the sugar marketing allotment program. Allowing a sugar processor that is subject to a marketing allotment to sell unlimited amounts of sugar it makes from imported thick juice undermines the domestic sugar marketing allotment program's supply-balancing function and penalizes sugar processors and foreign exporters of sugar who abide by the sugar marketing laws and regulations. Such a result invites additional schemes to evade the intent of the 2002 Farm Bill.

Despite Under Secretary J.B. Penn agreeing in May 2006 that thick juice imports "are a means of circumventing provisions of our programs for domestic and

imported sugar” and stating that the Department was promulgating regulations to address the issue, the Department did not issue an Advanced Notice of Proposed Rulemaking until September 8 that proposed no specific rules and instead questioned whether addressing this problem would be either “desirable” or “equitable.”

I continue to urge the Department to take quick action to put forward the regulations necessary to close this loophole. Will you work with me to address this issue and ensure effective operation of the U.S. domestic and import sugar program?

**Answer #2:**

You have my assurance that, if confirmed, I will work with all interested stakeholders as this rulemaking process continues.

**Submitted Questions for the Record from Senator Tom Harkin  
Senate Agriculture Committee  
Nominations Hearing  
Dr. Mark Keenum  
Nominee, Under Secretary for Farm and Foreign Agricultural Services  
Nominee, Member of the Board of Directors of the Commodity Credit Corporation  
December 6, 2006**

**Question #1:**

USDA's improper payments review found that 11 percent of the Farm Service Agency payments audited were made improperly. Fortunately, only 1 percent involved incorrect disbursement. The overwhelming majority were attributed to incomplete or missing paperwork.

To help ensure the integrity of the farm programs, what will you do to make sure that all FSA paperwork is properly completed?

Will you report back to this Committee on the progress at FSA?

**Answer #1:**

If confirmed, I pledge that I will report back to the Committee on progress to address these concerns. One of my top priorities will be ensuring that farm program payments are made properly. I will work with FSA on recommendations to mitigate this problem in a way that is fair to producers, employees, and taxpayers.

**Question #2:**

An audit conducted by the USDA Office of Inspector General found that the Farm Service Agency improperly donated approximately 24.7 million pounds of nonfat dry milk worth nearly \$20 million to a private feed mill and affiliated research center for "catfish nutrition research", and that FSA later pursued a single source restricted sale of nonfat dry milk against the advice of the Office of General Counsel. This audit also referenced contacts between Senate Agriculture Committee staff and USDA managers regarding this donation.

Please answer for the record when you learned of the nonfat dry milk donation and of the discussions between Agriculture Committee staff and the Farm Service Agency personnel who approved the donation?

**Answer #2:**

I was first made aware of this audit after the OIG report was initiated. As you know, I was Senator Cochran's Chief of Staff in his personal office. I had no knowledge of any discussions that may have occurred between Agriculture Committee staff and Farm Service Agency personnel.

**Question #3:**

OIG recommended that FSA develop a cohesive management control structure within Commodity Operations for the disposition of CCC commodities to include the management decision process to properly evaluate sales and/or donation options. FSA agreed to develop and implement a decision process for all CCC inventory disposition decisions by March 2007

If confirmed as Under Secretary, will you ensure that this OIG recommendation is implemented, and will you provide oversight during your tenure to see that the reforms are working properly?

**Answer #3:**

It is my understanding that FSA has already taken action to implement the management recommendations. If confirmed, I commit to ensuring that all recommendations are fully implemented

**Question #4:**

The management of US food aid programs is split between USDA and USAID. USDA oversees Title I, Section 416(b), Food for Progress, the Bill Emerson Humanitarian Trust, and the McGovern/Dole Food for Education and Child Nutrition Program. Until recently, fighting world hunger was included in the mission statement for the Foreign Agricultural Service. During the recent reorganization of FAS, this language was removed as the agency moved to focus more on trade capacity building activities. This change in emphasis has generated questions about USDA's ability to continue to operate these congressionally mandated food aid programs.

How do you see USDA's role in addressing global hunger issues?

Also in light of FAS's new emphasis on market development and trade capacity building, how do you see the agency advancing the first UN Millennium Goal of cutting in half by 2015 the number of people worldwide who suffer from hunger and malnutrition, which the United States adopted along with the other 188 members of the United Nations back in 2000?

**Answer #4:**

It is my understanding that food aid continues to be a priority throughout the Foreign Agricultural Service. If confirmed, I will continue to work to provide U.S. agricultural commodities to assist millions of people in needy countries.

Earlier this year, Senator Cochran and I met with the leaders of the World Food Programme in Rome who provide food assistance globally. If confirmed, it is my desire to seek the advice and counsel of private voluntary organizations who are on the frontlines of addressing hunger worldwide.

**Question #5:**

Section 3013 of the 2002 farm bill directed USDA and USAID to improve and ensure the quality, safety, nutrient delivery and shelf-life of food aid products. Yet, over the past few years, multiple problems have developed with product quality and complaint intake and management, including an episode a few years ago where a particular production batch of a food aid product was tainted and had to be withdrawn from distribution. As a result, I fear that the reputation of U.S. food aid programs and our ability to serve the nutritional needs of recipients are at stake.

What steps will you take to assure that these issues stemming from food aid product quality are addressed promptly and as intended in the 2002 farm bill?

**Answer #5:**

I appreciate and share your concerns regarding the quality of food aid. It is my understanding that both USDA and USAID agree that specifications for existing food aid products should be reviewed for consistency and harmonization

If confirmed, I am committed to looking into the food quality issue and will work to see that the intent of Congress is fulfilled.

**Questions for Jill Sommers  
Nominee for Commissioner of the Commodity Futures Trading Commission**

1. The current Congress has been unable to reauthorize the Commodity Exchange Act, in part because of widespread concerns over the lack of regulation of over-the-counter and offshore transactions in energy derivatives. Those of us who believe that energy derivatives should be subject to greater transparency and oversight understand that if there is market manipulation it affects all energy consumers. We would like to expand the Commission's jurisdiction to require greater transparency and oversight of energy transactions.

**What role do you see for the Commodity Futures Trading Commission to assure that energy markets are transparent and that consumers are protected from price manipulation in the energy markets?**

**Response:**

The mission of the Commodity Futures Trading Commission is to protect market users and the public from fraud, manipulation and abusive practices related to the sale of commodity and financial futures and options. It is important to me that all energy consumers are protected from manipulation.

If confirmed, I look forward to being briefed on all of the existing tools available to the Commission for the purpose of ensuring appropriate transparency and oversight of energy markets. I pledge to work with the other Commissioners to ensure that existing tools are used aggressively to protect consumers and market integrity as required by the Commodity Exchange Act.

**Questions for Leland Strom  
Nominee to be a Member of the Farm Credit Administration Board**

1. As someone who has borrowed from the Farm Credit System and who has served as a director in every aspect of the System, you must have a unique perspective of the System.

**What do you think are the strengths and weaknesses of the Farm Credit System?**

**Are there specific risks to the System that the Farm Credit Administration must be prepared to address?**

*The System has many strengths inherent in its structure as a cooperative with local representation on the boards and borrower control. It also benefits from the fact it has a concentrated focus on the ag industry and it employs professionals who are also dedicated and knowledgeable of the industry. A weakness of the Farm Credit System is that it is a single entity lender serving the agriculture industry. As witnessed in the agriculture crisis of the 1980's, a downturn in the agriculture sector can have a profound effect on the System. The Farm Credit Administration must keep diligent in its responsibilities of oversight and must employ all necessary tools available to ensure the safe and sound operation of all institutions.*

2. The number of farm credit banks and associations has been declining for a number of years. One consequence of consolidation can be less direct borrower/member involvement in the operation of the System institutions.

**What effect do you think this has had on the original concept of cooperative ownership and borrower control?**

*The Farm Credit System has seen a significant drop in the number of associations and banks in the last quarter century, from over 1000 entities to less than 100 today. Most of the consolidations and mergers have been the result of recommendations based on sound business analysis made by local boards of directors and management, with the approval of the Farm Credit Administration and the final decision by the stockholders of the institution. These have resulted in significant efficiencies and cost structure savings. Many times these cost savings have allowed for the reduction in interest rates charged to borrowers and some institutions have patronage programs in place to return excess earnings to stockholders.*

*The reduced number of institutions has also resulted in fewer elected director representatives, and this has been a concern that I have shared and I have been an advocate over the years of enhancing customer contact in the form of advisory groups and customer meetings.*

*The original concept of cooperative structure can still be served as long as the institution maintains an effective outreach to the agricultural community.*

3. Over the next two decades it is estimated that 400 million acres of agriculture land will be transferred to new owners. The future health of agriculture depends on policies to encourage a new generation of farmers and ranchers to work in agriculture. With rising costs of land, equipment, and energy inputs, young and beginning farmers need access to adequate credit.

**How can the Farm Credit Administration facilitate lending to serve the future needs of our next generation of farmers?**

*Having been a young and beginning farmer myself some 30 years ago, I have a deep appreciation for the needs and assistance this segment of potential borrowers needs. Today's young and beginning farmer has even more needs with the advancements in agriculture and the start up costs of establishing a modern farming enterprise. I am a strong advocate in searching for ways to allow this segment of borrowers to access the Farm Credit System, both in financial needs and in the expertise that the System can provide. I commit to this effort of continuing to find new avenues for advancement in this area as the industry continues to evolve. The Farm Credit Administration can work to ensure that the institutions it regulates have programs in place to meet this goal.*

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**ADDITIONAL MATERIALS SUBMITTED FOR THE RECORD**

DECEMBER 6, 2006

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QUESTIONNAIRE FOR UNITED STATES DEPARTMENT OF AGRICULTURE NOMINEES  
BIOGRAPHICAL INFORMATION (PUBLIC)

1. Full name (include any former names used).  
Mark Everett Keenum
2. Date and place of birth.  
January 28, 1961  
Starkville, Mississippi
3. Marital Status (include maiden name of wife or husband's name).  
List spouse's occupation, employer's name and business address(es).  
Married: Rhonda Renee Newman Keenum  
Deputy Assistant to the President of the United States  
And Director of the White House Office of Public Liaison;  
The White House, Washington, DC
4. Education: List each college and graduate or professional school you have attended, including dates of attendance, degrees received, and dates degrees were granted.  
August 1984 to May 1988 - Mississippi State University,  
Mississippi State, MS  
Doctor of Philosophy Degree  
Major: Agricultural Economics Minor: Economics  
June 1983 to May 1984 - Mississippi State University,  
Mississippi State, MS  
Master of Agriculture Degree  
Major: Agricultural Economics Minor: Finance  
August 1981 to May 1983 - Mississippi State University,  
Mississippi State, MS  
Bachelor of Science Degree  
Major: Agricultural Economics  
August 1979 to May 1981 - Northeast Mississippi Community College,  
Booneville, MS  
Associates of Arts Degree  
Major: Business Administration

5. Employment Record: List (by year) all business or professional corporations, companies, firms, or other enterprises, partnerships, institutions and organizations, nonprofit or otherwise, including farms, with which you were connected as an officer, director, partner, proprietor, or employee since graduation from college; include a title and brief job description.

Office of U.S. Senator Thad Cochran (R-MS), Washington, DC  
 December 1996 to Present: Chief of Staff  
 April 1989 to December 1996: Legislative Assistant for  
 Agriculture and Natural Resources

Department of Agricultural Economics, Mississippi State  
 University  
 August 1997 to Present: Adjunct Professor of Agricultural  
 Economics (non-paid position)

Department of Agricultural Economics, Mississippi Agricultural  
 And Forestry Experiment Station, Mississippi State University  
 June 1988 to April 1989: Assistant Professor/Economist  
 July 1986 to May 1988: Research Associate

Extension Marketing Department, Mississippi Cooperative  
 Extension Service, Mississippi State University  
 June 1984 to June 1986: Extension Marketing Specialist

Department of Agricultural Economics, Mississippi Agricultural  
 And Forestry Experiment Station, Mississippi State University  
 June 1983 to May 1984: Graduate Research Assistant

6. Military Service: Have you had any military service? If so, give particulars, including the dates, branch of service, rank or rate, serial number and type of discharge received.

No Military Service

7. Government Service: State (chronologically) your government service or public offices you have held, including the terms of service grade levels and whether such positions were elected or appointed.

I have held no elective public office and all government service is included in the positions outlined in question #5.

8. Honors and Awards: List any scholarships, fellowships, honorary degrees, and honorary society memberships that you received and believe would be of interest to the Committee.

Lifetime Membership Award, Stennis-Montgomery Association, Mississippi State University (MSU), 2006  
 Distinguished Service Award, Mississippi Farm Bureau Federation, 2003  
 Appreciation Award for Dedicated Service, Catfish Farmers of America, 2002  
 Alumnus of the Year, College of Agriculture and Life Sciences, MSU, 2001  
 Mark E. Keenum Endowed Scholarship, College of Agriculture and Life Sciences, MSU, 2000  
 Delta Council Achievement Award for Aquaculture, Mississippi Delta Council, 2000  
 College of Agriculture and Life Sciences Alumni Fellow, MSU Alumni Association, 1997  
 Outstanding Alumnus Award, Mississippi Agricultural Economics Association, 1997  
 Farm Policy Commendation Award, Mississippi Delta Council, 1996  
 Delta Council Appreciation Award, Mississippi Delta Council, 1993  
 Outstanding Public Service Award, College of Agriculture and Life Sciences, MSU, 1992  
 Gamma Sigma Delta, Mississippi State University, 1988  
 Kiwanian of The Year Award, Starkville, MS Kiwanis Breakfast Club, 1986

9. Other Memberships: List all organizations to which you belong, excluding religious organizations.

American Agricultural Economics Association  
 Southern Agricultural Economics Association  
 Mississippi Agricultural Economics Association  
 Mississippi Farm Bureau  
 Northeast Mississippi Community College Alumni Association  
 Mississippi State University Alumni Association  
 Mississippi State University, The Bulldog Club  
 Mississippi State University Foundation, Patron of Excellence  
 Belle Haven Country Club, Alexandria, Virginia  
 National Skeet Shooting Association  
 External Advisory Board for the Executive Ph.D. Program,  
 Jackson State University

10. Published Writings: List the titles, publishers, and dates of books, articles, reports, or other published materials (including published speeches) you have written. Please include on this list published materials on which you are listed as the principal editor. It would be helpful to the Committee if you could provide one copy of all published material that may not be readily available. Also, to the maximum extent practicable, please supply a copy of all unpublished speeches you made during the past five years on issues involving agriculture, nutrition, forestry or commodity futures policy or related matters.

Garrard, Anthony B., Jerry M. Burney, Mark E. Keenum, and John E. Waldrop, Effect of Pond Size on Cost of Producing Farm-Raised Catfish in the Delta Area of Mississippi. Department of Agricultural Economics, Mississippi Agricultural and Forestry Experiment Station, Mississippi State University, Information Bulletin No. 172, May, 1990.

Fuller, Marty J., Mark E. Keenum, and Rebecca A. Kelly, Consumer Acceptance of Hybrid Striped Bass in a Mississippi Gulf Coast Restaurant. Mississippi Agricultural and Forestry Experiment Station, Mississippi State University, AEC Research Report No. 187, February, 1990.

Keenum, Mark E. and John E. Waldrop. *An Economic Analysis of Farm-Raised Catfish Production with Emphasis on Cost and Cash Flows*. Paper presented at the World Aquaculture Society Meeting, Abstracts: Progress Through Unity, Aquaculture '89; Los Angeles, California, February, 1989.

Garrard, Anthony B., Marty J. Fuller, and Mark E. Keenum. *Economies of Size Associated with Small-Scale Farm-Raised Catfish Processing*. Paper presented at the World Aquaculture Society Meeting, Abstracts: Progress Through Unity, Aquaculture '89; Los Angeles, California, February, 1989.

Keenum, Mark E. and Marty J. Fuller. *Economies of Size Associated with the Production and Processing of Farm-Raised Catfish in Mississippi*. Paper presented at the Annual Meeting of Mid-South Academy of Economics and Finance, Nashville, Tennessee, February, 1989.

Keenum, Mark E. and John E. Waldrop, Cash Flow Analysis of Farm-Raised Catfish Production in Mississippi. Mississippi Agricultural and Forestry Experiment Station, Mississippi State University, AEC Technical Publication No. 73, August, 1988.

Keenum, Mark E. and James G. Dillard, Geographical Distribution of Mississippi's Processed Farm-Raised Catfish -- Second Confidential Report to the Catfish Institute. Mississippi Agricultural and Forestry Experiment Station, Mississippi State University, AEC Special Report No. 12, July 1988.

Keenum, Mark E. and John E. Waldrop, Economic Analysis of Farm-Raised Catfish Production in Mississippi. Mississippi Agricultural and Forestry Experiment Station, Mississippi State University, Technical Bulletin No. 155, July, 1988.

Garrad, Anthony B., Marty J. Fuller, and Mark E. Keenum, Economic Analysis of Small-Scale Processing for Mississippi Farm-Raised Catfish. Mississippi Agricultural and Forestry Experiment Station, Mississippi State University, AEC Research Report No. 181, June, 1988.

Fuller, Marty J., Mark E. Keenum, Warren W. Carter III, and John E. Waldrop, A Cost Analysis of Fingerling Size and Stocking Date in the Production of Channel Catfish for Food. Mississippi Agricultural Experiment Station, Mississippi State University, AEC Research Report No. 178, March, 1988.

Dillard, James G. and Mark E. Keenum, Geographical Distribution of Mississippi's Processed Farm-Raised Catfish--Confidential Report to The Catfish Institute. Mississippi Agricultural and Forestry Experiment Station, Mississippi State University, AEC Special Report No. 11, December, 1986.

Keenum, Mark E. and Jeff W. Giachelli, *Effects of Changes in Farm Price of Catfish on Consumer Price in the Marketplace*. Proceedings of Catfish Processors' Workshop, Greenwood, Mississippi, 1985.

Keenum, Mark E., Mississippi Pond-Raised Crawfish. Mississippi Cooperative Extension Service, Mississippi State University, Information Publication No. 1280, 1985.

Keenum, Mark E., Mississippi Farm-Raised Catfish. Mississippi Cooperative Extension Service, Mississippi State University, Information Publication No. 1279, 1985.

Keenum, Mark E. *Cost of Hauling Farmed-Raised Catfish from Farm to Processing Plant*. Proceedings of Catfish Processors' Workshop, Greenwood, Mississippi, 1984.

Keenum, Mark E. and James G. Dillard, Operational Characteristics and Costs of Custom Harvesting and Hauling Farm-Raised Catfish. Mississippi Agricultural and Forestry Experiment Station, Mississippi State University, AEC Research Report No. 153, October, 1984.

I do not have any published speeches and all presentations addressing agriculture in the past five years were made using notes or were presented extemporaneously.

11. Health: What is the present state of your health?

Excellent

## FINANCIAL DATA AND CONFLICT OF INTEREST (PUBLIC)

1. Have you severed all connections with your immediate past private sector employers, business firms, associations, and/or organizations?

Yes, with the exception of a non-paying Adjunct Professor position and membership on an advisory board. I serve as an Adjunct Professor of Mississippi State University (MSU) and as a member of an advisory board at Jackson State University (JSU). Upon confirmation, I will resign from these positions. Furthermore, pursuant to 5 C.F.R. § 2635.502, for one year after I terminate my positions with MSU and JSU, I will not participate in any particular matter involving specific parties in which MSU or JSU is a party or represents a party, unless I am authorized to participate.

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services, firm memberships, former employers, clients, or customers.

I am a participant in the Public Employees Retirement System of Mississippi with 5.25 years of service at Mississippi State University. I will be eligible for state retirement benefits at age 62. Based on current calculations, my retirement benefits at age 62 would be approximately \$245 per month.

3. Do you, or does any partnership or closely held corporation in which you have an interest, own or operate a farm or ranch? (If yes, please give a brief description including location, size and type of operation.)

No

4. Have you, or any partnership or closely held corporation in which you have an interest, ever participated in Federal commodity price support programs? (If yes, provide all details including amounts of direct government payments and loans received or forfeited by crop and farm, etc. during the past five years.)

No

5. Have you, or any partnership or closely held corporation in which you have an interest, ever received a direct or guaranteed loan from or cosigned a note to the Rural Business-Cooperative Service, Rural Housing Service, the Rural Utilities Service or their predecessor agencies, the Farmers Home Administration, the Rural Development Administration, the Rural Housing and Cooperative Development Service or the Rural Electrification Administration? (If yes, give details of any such loan activity during the past 5 years.)

No

6. Have you, or any partnership or closely held corporation in which you have an interest, ever received payments for crop losses from the Federal Crop Insurance program? (If yes, give details.)

No

7. If confirmed, do you have any plans, commitments, or agreements to pursue outside employment or engage in any business or vocation, with or without compensation, during your service with the government? (If so, explain.)

No

8. Do you have any plans to resume employment, affiliation, or practice with your previous employers, business firms, associations, or organizations after completing government service? (If yes, give details.)

No

9. Has anyone made a commitment to employ you or retain your services in any capacity after you leave government service? (If yes, please specify.)

No

10. Identify all investments, obligations, liabilities, or other relationships which involve potential conflicts of interest in the position to which you have been nominated.

None that I am aware of

11. Have you ever received a government guaranteed student loan? If so, has it been repaid?

Yes; Yes

12. If confirmed, explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any other person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to section 208(b)(1), or qualify for a regulatory exemption, pursuant to section 208(b)(2). I understand that the interests of the following persons are imputed to me: my spouse, minor children, or any general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I serve as an Adjunct Professor of Mississippi State University (MSU) and as a member of an advisory board at Jackson State University (JSU). Upon confirmation, I will resign from these positions. Furthermore, pursuant to 5 C.F.R. § 2635.502, for one year after I terminate my positions with MSU and JSU, I will not participate in any particular matter involving specific parties in which MSU or JSU is a party or represents a party, unless I am authorized to participate. I will continue to participate in the Mississippi Public Employees Retirement System, a defined benefit plan, although neither I nor MSU will make further contributions into this defined benefit plan during my employment with USDA.

December 1, 2006

Honorable Saxby Chambliss  
Chairman  
Committee on Agriculture, Nutrition, and Forestry  
United States Senate  
Washington, D.C. 20510-6000

Dear Mr. Chairman:

On November 15, 2006, a copy of my SF-278, Executive Branch Public Financial Disclosure Report, required in connection with my nomination to serve as Under Secretary for Farm and Foreign Agricultural Services and member of the board of the Commodity Credit Corporation, U.S. Department of Agriculture, was submitted to the U.S. Office of Government Ethics. That report contained all required financial information for calendar year 2005 and through November 1, 2006.

The Ethics in Government Act of 1978, as amended, also requires that I update certain of the information reported on the SF-278, i.e., that required by section 102(a)(1)(A) of the Act, respecting income (other than Federal salary, dividends, interest, rents, and capital gains) and honoraria, to a date which occurs not more than five days before the date of the hearing to be held by your Committee to consider my nomination. The hearing to be held on my nomination is scheduled for December 6, 2006. The purpose of this letter is to report that since I filed my Financial Disclosure Report, I earned no additional reportable income.

I trust that this letter satisfies the additional applicable reporting requirements contained in the Ethics in Government Act.

Sincerely,



Mark E. Keenum  
Nominee for Under Secretary  
for Farm and Foreign Agricultural Services  
U. S. Department of Agriculture

cc: Robert I. Cusick, Director, U.S. Office of Government Ethics  
Raymond J. Sheehan, Acting Designated Agency Ethics Official, USDA



United States  
**Office of Government Ethics**  
1201 New York Avenue, NW., Suite 500  
Washington, DC 20005-3917

November 20, 2006

The Honorable Saxby Chambliss  
Chairman  
Committee on Agriculture,  
Nutrition, and Forestry  
United States Senate  
Washington, DC 20510-6000

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Mark E. Keenum, who has been nominated by President Bush for the position of Under Secretary for Farm and Foreign Agricultural Services and Member of the Board of Directors of the Commodity Credit Corporation, Department of Agriculture.

We have reviewed the report and have also obtained advice from the Department of Agriculture concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated November 14, 2006, from Mr. Keenum to the agency's ethics official, outlining the steps Mr. Keenum will take to avoid conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of his confirmation date with any action he agreed to take in his ethics agreement.

Based thereon, we believe that Mr. Keenum is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick".

Robert I. Cusick  
Director

Enclosures

Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT

Reporting Individual's Name	Keenum	Reporting Status (Check appropriate box)	<input type="checkbox"/> Inhabitant <input checked="" type="checkbox"/> New Elected, Nominee, or Candidate	Calendar Year Covered by Report	2006	Terminability (Check appropriate box)	<input type="checkbox"/> None <input checked="" type="checkbox"/> Full	Reporting Period (Month, Day, Year)	11-14-2006
Position for Which Filing	Under Secretary, Farm and Foreign Agricultural Services and member, Commodity Credit Corp.	Address (Number, Street, City, State, and Zip Code)	113 Senate Dirksen Blvd, Washington, D.C. 20510	Chief of Staff, U.S. Senator Thed Cochran, 12/1996-Present	Name of Congressional Committee, Commission, Nomination, Agriculture, Nutrition, and Forestry	Do You Intend to Create a Qualified Disposition Trust?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes	Date (Month, Day, Year)	11-14-2006
Location of Present Office (City and State)	Washington, D.C.	Signature of Reporting Individual	<i>Mark E. Keenum</i>	Signature of Designated Agency Head, Original Reviewing Official	<i>R/S</i>	Date (Month, Day, Year)	11-15-2006	Comments of Reporting Official (If additional space is required, see the reverse side of this sheet)	
Other Review (If Required by Agency)		Signature of Reporting Official	<i>Mark E. Keenum</i>	Signature of Designated Agency Head, Original Reviewing Official	<i>Mark E. Keenum</i>	Date (Month, Day, Year)	11-20-2006	Comments of Reviewing Official (If additional space is required, see the reverse side of this sheet)	

Supersede Prior Editions, Which Cannot Be Used. 278-112 (Check box if filing extension granted & indicate number of days \_\_\_\_\_)  (Check box if comments are continued on the reverse side)

Form Devised in Microsoft Excel 2000. NOV 16 2006. NSN 7540-01-070-84

**SCHEDULE A**

Page Number **2**

5027N (Rev. 03/2000)  
5 C.F.R. Part 2624  
U.S. Office of Government Ethics  
Reporting Individual's Name  
**Keenum, Mark E.**

Assets and Income BLOCK A	Valuation of Assets at close of reporting period BLOCK B		Income type and amount. If none (or less than \$200) is checked, no other entry is needed in Block C for that item.										Other Income (Specify Type & Amount)	Date (M/Y)					
	None (or less than \$1,000)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000	Over \$50,000,000	Over \$100,000,000	Over \$500,000,000	Over \$1,000,000,000			Over \$5,000,000,000	None (or less than \$200)	Dividends	Interest	Capital Gains
Central Airlines Common Examples: Doe Jones & Smith, Hamilton, State Kantipone Equity Fund IRA, Heartland 300 Index Fund		X																	
Sirius Satellite Radio, Inc.		X																	
Ballantyne Omaha, Inc.																			
Dollar General Corporation																			
InterDigital Communications Corporation																			
Scherling Plough Corp.																			
Ketchum Public Relations Profit Sharing—Invested in MSI Small Co. Growth A.																			

\* This category applies only if the asset/income is solely that of the filer or jointly held by the filer with the spouse or dependent child. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent child, mark the other higher categories of value, as appropriate.  
Prior Editions Cannot be Used.

OMB No. 1545-0047  
 2 CFR Part 2634  
 U.S. Office of Government Ethics  
 Reporting Individual's Name

Keenum, Mark E.

Page Number  
 3

**SCHEDULE A continued**  
 (Use only if needed)

Assets and Income BLOCK A	Valuation of Assets at close of reporting period BLOCK B		Income type and amount. If "None" or less than \$200, it is checked, no other entry is needed in Block C for that item.		Date Mo., Day 'YY Only if Recurrent
	None (or less than \$1,000)	Amount BLOCK C	Type	Amount BLOCK C	
1 S Erick Edelman Public Relations Profit Sharing					
2 S Vanguard Extended Market Index Fund					
3 S Vanguard Small-cap Index Fund					
4 S Vanguard Growth Equity Fund					
5 S Erick Edelman Public Relations Profit Sharing					
6 S Union Security Insurance Company variable universal life policy, invested 100% in Global Leaders Fund*					
7 S Public Employees Retirement System of Mississippi					
8					
9					

\* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

\* Administered by The Hartford Financial Services Group, Inc.

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SF 278 (Rev. 02/2000)  
 U.S. Office of Government Ethics  
 Reporting Individual's Name

Keenum, Mark E.

SCHEDULE D		Page Number
		5
<p><b>Part I: Positions Held Outside U.S. Government</b>                      Report any positions held during the applicable reporting period, whether compensated or not. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities and those solely of an honorary nature.</p>		
1	2	3
Organization (Name and Address)	Type of Organization	Position Held
Example: MIT Assn. of Res. Colleges, NY, NY Doe, Jones & Smith, Emerytown, State	Nonprofit, education Law firm	President Partner
1 Mississippi State University, Mississippi State, Ms	Public University	Adjunct Professor
2 Jackson State University	Public University	Member, Advisory Board
3		
4		
5		
6		
<p><b>Part II: Compensation In Excess of \$5,000 Paid by One Source</b>                      Report sources of more than \$5,000 compensation received by you or your business affiliation for services provided directly by you during any one year of the reporting period. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any other non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source.</p>		
1	2	3
Source (Name and Address)	Brief Description of Duties	None <input checked="" type="checkbox"/>
Example: Doe, Jones & Smith, Emerytown, State Metro University (Client of Doe, Jones & Smith), Montevideo, State	Legal services Legal services in connection with university consultation	
1		
2		
3		
4		
5		
6		

Prior Editions Cannot Be Used.

November 14, 2006

Mr. Raymond J. Sheehan  
Alternate Designated Agency Ethics Official  
U.S. Department of Agriculture  
Washington, DC 20250-0122

Dear Mr. Sheehan:

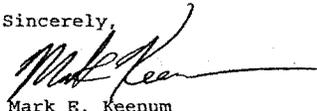
The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Under Secretary, Farm and Foreign Agricultural Services and board member of the Commodity Credit Corporation (CCC).

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any other person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to section 208(b)(1), or qualify for a regulatory exemption, pursuant to section 208(b)(2). I understand that the interests of the following persons are imputed to me: my spouse, minor children, or any general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I serve as an Adjunct Professor of Mississippi State University (MSU) and as a member of an advisory board at Jackson State University (JSU). Upon confirmation, I will resign from these positions. Furthermore, pursuant to 5 C.F.R. § 2635.502, for one year after I terminate my positions with MSU, I will not participate in any particular matter involving specific parties in which MSU is a party or represents a party, unless I am authorized to participate. Similarly, for one year after I terminate my position with JSU, I will not participate in any particular matter involving specific parties in which JSU is a party or represents a party, unless I am authorized to participate. I will continue to participate in the Mississippi Public Employees Retirement System, a defined benefit plan, although neither I nor MSU will make further contributions into this defined benefit plan during my employment with USDA.

I believe that the steps I have agreed to take, as outlined above, will avoid or resolve any conflict of interest or appearance thereof between my financial interests and the duties I will perform both as Under Secretary of Agriculture for Farm and Foreign Agricultural Services and as a member of the Board of Directors of the CCC.

Sincerely,



Mark E. Keenum

## BIOGRAPHICAL INFORMATION (PUBLIC)

1. Full name (include any former names used).

Jill Elaine (Maycumber-maiden) Sommers

2. Date and place of birth.

November 17, 1968 Fort Scott, Kansas

3. Marital Status (include maiden name of wife or husband's name). List spouse's occupation, employer's name and business address(es).

Married to Michael J. Sommers - Policy Director for Majority Leader John Boehner H-107, US Capitol

4. Education: List each college and graduate or professional school you have attended, including dates of attendance, degrees received, and dates degrees were granted.

University of Oregon 1987-1988

University of Kansas 1988-1991

Bachelor of Arts Degree awarded December of 2005  
(Course work completed in 1991)

5. Employment Record: List (by year) all business or professional corporations, companies, firms, or other enterprises, partnerships, institutions and organizations, nonprofit or otherwise, including farms, with which you were connected as an officer, director, partner, proprietor, or employee since graduation from college; include a title and brief job description.

Office of Senator Robert J. Dole (R-KS)

Intern - January 1991-May 1991 - Washington DC

Receptionist - May 1991-August 1992 - Washington DC

Regional Representative - August 1992-November 1994

Pittsburg, Kansas/Topéka, Kansas

Represented the Senator at various functions and assisted constituents with various requests and issues regarding the federal government.

Assistant to the Administrative Assistant - Washington DC

November 1994-August 1995

Assisted the AA in managing a staff of 25 legislative assistants and correspondents

Clark & Muldoon, P.C. - August 1995-February 1998  
Legislative Assistant  
Assisted two attorneys with agricultural related client business as well as general office management.

Taggart & Associates - March 1998-August 1998  
Senior Associate  
Principal contact for clients with legislative concerns on issues such as agriculture, health care, and telecommunications

Chicago Mercantile Exchange  
Manager, Legislative and Regulatory Affairs - August 1998-January 2001  
Associate Director, Government Affairs - January 2001-March 2004  
Primarily responsible for monitoring regulatory matters pending before the federal government. Accompanied Members of Congress, Administration officials and congressional staff to Chicago as part of our CME educational visitation program.

International Swaps and Derivatives Association  
August 2005 - August 2006  
Policy Director and Head of US Government Affairs  
Principal contact in Washington DC for ISDA member firms on a variety of over-the-counter derivatives issues.

6. Military Service: Have you had any military service? If so, give particulars, including the dates, branch of service, rank or rate, serial number and type of discharge received.

None

7. Government Service: State (chronologically) your government service or public offices you have held, including the terms of service grade levels and whether such positions were elected or appointed.

Office of Senator Robert J. Dole 1991-1995

8. Honors and Awards: List any scholarships, fellowships, honorary degrees, and honorary society memberships that you received and believe would be of interest to the Committee.

None

9. Political Affiliation: The statute creating the Commodity Futures Trading Commission requires that no more than three members be from the same political party. List your current political party registration or affiliation.

Republican

10. Other Memberships: List all organizations to which you belong, excluding religious organizations.

Kansas Society of Washington DC

11. Published Writings: List the titles, publishers, and dates of books, articles, reports, or other published materials (including published speeches) you have written. Please include on this list published materials on which you are listed as the principal editor. It would be helpful to the Committee if you could provide one copy of all published material that may not be readily available. Also, to the maximum extent practicable, please supply a copy of all unpublished speeches you made during the past five years on issues involving agriculture, nutrition, forestry or commodity futures policy or related matters.

None

12. Health: What is the present state of your health?

Excellent

## FINANCIAL DATA AND CONFLICT OF INTEREST (PUBLIC)

1. Have you severed all connections with your immediate past private sector employers, business firms, associations, and/or organizations?

Yes

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, uncompleted contracts and other future benefits which you expect to derive from previous business relationships, professional services, firm memberships, former employers, clients, or customers.

None

3. Do you, or does any partnership or closely held corporation in which you have an interest, own or operate a farm or ranch? (If yes, please give a brief description including location, size and type of operation.)

No

4. Have you, or any partnership or closely held corporation in which you have an interest, ever participated in Federal commodity price support programs? (If yes, provide all details including amounts of direct government payments and loans received or forfeited by crop and farm, etc. during the past five years.)

No

5. Have you, or any partnership or closely held corporation in which you have an interest, ever received a direct or guaranteed loan from or cosigned a note to the Rural Business-Cooperative Service, Rural Housing Service, the Rural Utilities Service or their predecessor agencies, the Farmers Home Administration, the Rural Development Administration, the Rural Housing and Cooperative Development Service or the Rural Electrification Administration? (If yes, give details of any such loan activity during the past 5 years.)

No

6. Have you, or any partnership or closely held corporation in which you have an interest, ever received payments for crop losses from the Federal Crop Insurance program? (If yes, give details.)

No

7. If confirmed, do you have any plans, commitments, or agreements to pursue outside employment or engage in any business or vocation, with or without compensation, during your service with the government? (If so, explain.)

No

8. Do you have any plans to resume employment, affiliation, or practice with your previous employers, business firms, associations, or organizations after completing government service? (If yes, give details.)

No

9. Has anyone made a commitment to employ you or retain your services in any capacity after you leave government service? (If yes, please specify.)

No

10. Identify all investments, obligations, liabilities, or other relationships which involve potential conflicts of interest in the position to which you have been nominated.

I own 50 shares of Chicago Mercantile Exchange Holdings Inc.

11. Have you ever received a government guaranteed student loan? If so, has it been repaid?

Yes. Yes.

12. If confirmed, explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

I plan to divest my holdings of CME stock within 90 days of my confirmation. This commitment is included in my ethics agreement.

December 5, 2006

The Honorable Saxby Chambliss  
Committee on Agriculture, Nutrition and Forestry  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman,

On November 1, 2006 a copy of my SF 278, Executive Branch Personnel Public Financial Disclosure Report was filed with the Office of Government Ethics. Since filing my SF 278, I have not received income or honoraria. Also while reviewing my SF 278 it has come to attention that I should have included the 529 accounts which are held in the name of my spouse for the college education of our children.

The accounts are all considered excepted investment funds and each generated less than \$201 in income for the reportable period. The funds hold the following values: American Funds SMALLCAP World Fund valued at less than \$1000, EuroPacific Growth Fund, The Growth Fund of America and the Investment Company of America each valued between \$1001 and \$15,000.

I trust that this letter satisfies the additional applicable reporting requirements contained in the Ethics in Government Act.

Sincerely,



Jill E. Sommers



United States  
**Office of Government Ethics**  
1201 New York Avenue, NW, Suite 500  
Washington, DC 20005-3917

December 5, 2006

The Honorable Saxby Chambliss  
Chairman  
Committee on Agriculture, Nutrition,  
and Forestry  
United States Senate  
Washington, DC 20510-6000

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Jill E. Sommers, who has been nominated by President Bush for the position of Commissioner, Commodity Futures Trading Commission.

We have reviewed the report and have also obtained advice from the Commodity Futures Trading Commission concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated November 1, 2006, from Ms. Sommers to the agency's ethics official, outlining the steps Ms. Sommers will take to avoid conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of her confirmation date with any actions she agreed to take in her ethics agreement.

Based thereon, we believe that Ms. Sommers is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick".

Robert I. Cusick  
Director

Enclosures

November 1, 2006

John P. Dolan  
Counsel and Alternative Designated Ethics Official  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21<sup>st</sup> Street, N.W.  
Washington, D.C. 20581

Dear Mr. Dolan:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Commissioner for the Commodities Futures Trading Commission ("CFTC").

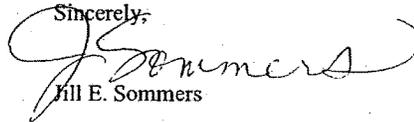
As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any other person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to section 208(b)(1), or qualify for a regulatory exemption, pursuant to section 208(b)(2). I understand that the interests of the following persons are imputed to me: my spouse, minor children, or any general partner; any organization in which I serve as officer, director, trustee, general partner or employee, and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

I will divest my holdings in the Chicago Mercantile Exchange within 90 days of my confirmation because ownership of this stock is a prohibited interest pursuant to CFTC's Regulation Concerning Conduct of Members and Employees and Former Members and Employees of the Commission at 17 C.F.R. § 140.735-2a(b)(1). Until this divestiture has been completed, I will not participate personally and substantially in any particular matter that will have a direct and predictable effect on the Chicago Mercantile Exchange.

Pursuant to 5 C.F.R. § 2635.502, for a period of one year after the termination date of my employment with my former employer the International Swaps and Derivatives Association, Inc. ("ISDA"), I will not participate personally and substantially in any particular matter involving specific parties in which my former employer, ISDA, is a party or represents a party, unless I am authorized to participate. In addition, for the duration of my government service as Commissioner, I will not participate personally and substantially in any particular matter involving specific parties in which I previously participated as an employee of ISDA, unless I am authorized to participate.

Pursuant to 5 CFR 2635.502 I acknowledge that I have a "covered relationship" with ISDA and also with any entity for which I have served as an agent or consultant within the past year. To avoid any appearance of partiality, I will not participate in a particular CFTC matter -- including consideration of a particular CFTC regulation or the CFTC's position on proposed legislation -- if I have previously represented to the federal government on behalf of any private party, including ISDA or its members, with respect to that same particular matter.

Sincerely,

A handwritten signature in cursive script that reads "Bill E. Sommers". The signature is written in dark ink and is positioned above the printed name.

Bill E. Sommers

Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT

Form Approved: OMB No. 3209-0001

SF 278 (Rev. 03/2006) U.S. Office of Government Ethics Date of Appointment, Candidacy, Election, or Nomination (Month, Day, Year)		Reporting Status (Check Appropriate Boxes) <input type="checkbox"/> Incumbent <input checked="" type="checkbox"/> New Entrant, New Candidate Termination Date (Month, Day, Year)		Fee for Late Filing Any individual who is required to file this report after the date the report is required to be filed, or, if an extension is granted, more than 30 days after the last day of the filing extension period, shall be subject to a \$250 fee.	
Reporting Individual's Name Last Name: Sommers Title of Position: Commissioner		Department or Agency (If Applicable): Commodity Futures Trading Commission			
Position for Which Filing Location of Present Office (or forwarding address) 1155 21st Street, N.W., Washington, D.C. 2003		Telephone No. (Include Area Code): 202-418-5000			
Presidential Nominees Subject to Senate Confirmation Name of Congressional Committee Considering Nomination: Do You Intend to Create a Qualified Diversified Trust? Committee on Agriculture, Nutrition and Forestry <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
Certification I CERTIFY that the statements in this schedule are true, complete and correct to the best of my knowledge.		Signature of Reporting Individual [Signature]		Date (Month, Day, Year) 9/08/06	
Other Review (If Required by Agency) Signature of Other Reviewer [Signature]				Date (Month, Day, Year)	
Agency Ethics Official's Opinion On the basis of information contained in this schedule and any other information available to me with applicable laws and regulations (subject to any comments in the box below):		Signature of Designated Agency Ethics Official/Reviewing Official [Signature]		Date (Month, Day, Year) 11-02-06	
Office of Government Ethics Use Only Signature [Signature]				Date (Month, Day, Year) 12/17/06	
Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet)					
(Check box if filing extension granted & indicate number of days _____) <input type="checkbox"/>					
(Check box if comments are continued on the reverse side) <input type="checkbox"/>					
Agency Use Only OGE Use Only NOV - 3 2006					

SF 274 (Rev. 03/2000)  
5, C.F.R. Part 2634  
U.S. Office of Government Ethics

Reporting Individual's Name  
Sommers, Jill E.

**SCHEDULE A**

Page Number  
2 of 7

Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.

Assets and Income	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Amount										Date (Mo., Day, Yr.) Only if Honoraria		
	BLOCK B										BLOCK C												
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000	Over \$5,000,000	None (or less than \$201)	\$201 - \$1,000	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000		Over \$5,000,000	
None <input type="checkbox"/>																							
Examples																							
Central Airlines Common Stock, Inc. & Subs., Minneapolis, Minn.																							
Kempstone Equity Fund																							
B&B Heartland 500 Index Fund																							
1 J/General Electric																							
2 J/Intel Corp																							
3 J/J.P. Morgan Chase																							
4 J/Kayne Anderson MLP Inv't																							
5 J/Microsoft Corp																							
6 J/Lord Abbett Affiliated Funds																							

\* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.



5010-108 (Rev. 03/2009)  
 5 C.F.R. Part 2634  
 U.S. Office of Government Ethics

Reporting Individual's Name

Jill E. Sommers

Page Number

4 of 7

**SCHEDULE A continued**  
 (Use only if needed)

Assets and Income	BLOCK B Valuation of Assets at Close of Reporting Period												BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.										Date (Mo., Day, Yr.) Only if Honoraria		
	BLOCK B Valuation of Assets at Close of Reporting Period												BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.												
	BLOCK B Valuation of Assets at Close of Reporting Period												BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.												
BLOCK A	BLOCK B												BLOCK C										Date (Mo., Day, Yr.) Only if Honoraria		
	BLOCK B												BLOCK C												
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000	\$5,000,001 - \$25,000,000	\$25,000,001 - \$50,000,000	Over \$50,000,000	None (or less than \$201)	\$201 - \$1,000	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000	Over \$1,000,000*	Over \$5,000,000	Other Income Type (Specify Page & Actual Amount)	Date (Mo., Day, Yr.) Only if Honoraria	
1 Legg Mason Partners Aggressive Growth	X																								
2 Legg Mason Large Cap Growth Fund		X																							
3 Lord Abbett Affiliated Fund			X																						
4 Morgan Stanley S&P Index Fund				X																					
5 Templeton Growth Fund					X																				
6 Merrill Lynch & Co Medium Term Note																									
7 San Bernardino Co CA Fin Au Pension Obl																									
8 Kern City CA Pension Obl																									
9 Harrisburg PA Redev Author Rev																									

\* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

SE 278 (Rev. 03/27/00)  
 5 C.F.R. Part 2634  
 U.S. Office of Government Ethics

Reporting Individual's Name

*William E. Summers, Jr.*

**SCHEDULE A continued**  
 (Use only if needed)

Page Number

*5 of 7*

Assets and Income	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Income: Type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.														
	BLOCK A										BLOCK C														
	Type	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000	\$5,000,001 - \$25,000,000	Over \$25,000,000	None (or less than \$201)	\$201 - \$1,000	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000	Over \$1,000,000	Over \$5,000,000	Other Income Type (Specify Actual Amount)	Date (Mo., Day, Yr.) Only if Honoraria	
1 Citibank Bank Deposit Savings		X																							
2 J/Citibank Bank Deposit Savings			X																						
3 Chicago Mercantile Exchange				X																					
4 Chevy Chase Bank Savings					X																				
5 Chevy Chase Bank Checking						X																			
6 J/Congressional Federal Credit Union Checking							X																		
7 J/Congressional Federal Credit Union Savings								X																	
8 International Swaps and Derivatives Association																									
9																									

\* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

Prior Editions Cannot Be Used.

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SI 271 (Rev. 02/2000)  
 S 7211 (Rev. 02/00)  
 U.S. Office of Government Ethics

Reporting Individual's Name  
 Sommers, Jill E.

Page Number  
 7 of 7

**SCHEDULE D**

**Part I: Positions Held Outside U.S. Government**

Report any positions held during the applicable reporting period, whether compensated or not. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee, or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities and those solely of an honorary nature. None

Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Example: West Assn. of Book Collectors, NY, NY Doe Jones & Smith, Hometown, State	Non-profit-education Law firm	President Partner	6/92	Present
1 International Swaps and Derivatives Association	Trade association	Director	08/2005	08/2006
2 Chicago Mercantile Exchange	futures exchange	Associate Director	08/1998	03/2004
3				
4				
5				
6				

**Part II: Compensation in Excess of \$5,000 Paid by One Source**

Report sources of more than \$5,000 compensation received by you or your business affiliation for services provided directly by you during any one year of the reporting period. This includes the names of clients and customers of any corporation, firm, partnership, or other business enterprise, or any other non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source. None

Source (Name and Address)	Legal Services	Brief Description of Duties
Example: Doe Jones & Smith, Hometown, State Metro University (Client of Doe Jones & Smith), Hometown, State	Legal services in connection with university construction	
1 International Swaps and Derivatives Association	professional services	
2 Chicago Mercantile Exchange	Professional services	
3		
4		
5		
6		

Prior Editions Cannot Be Used.

OSG/Adobe Acrobat version 1.0.1 (12/2001)

## BIOGRAPHICAL INFORMATION (PUBLIC)

1. Full name (include any former names used).  
**Leland Anders Strom**
2. Date and place of birth.  
**August 25, 1956 Geneva, Illinois**
3. Marital Status (include maiden name of wife or husband's name).  
List spouse's occupation, employer's name and business address(es).  
  
**Married 29 years to Twyla Florence Strom (Anderson). Twyla is a licensed preschool director, but took a leave from teaching in May of 2004 to provide care for her mother, who passed away in late 2005, and mother-in-law, and aunt, who are in their late 80's and in declining health.**
4. Education: List each college and graduate or professional school you have attended, including dates of attendance, degrees received, and dates degrees were granted.  
  
**Kishwaukee College 1/74 to 8/75  
Associate of Science in Agriculture, Degree granted 8/75**  
  
**Northern Illinois University 9/75 to 5/76 (Classes in Business Administration)**  
  
**Elgin Community College Spring 1992 (Real Estate License Class)**  
  
**Illinois Agricultural Leadership Program, Graduate Class of 1988**
5. Employment Record: List (by year) all business or professional corporations, companies, firms, or other enterprises, partnerships, institutions and organizations, nonprofit or otherwise, including farms, with which you were connected as an officer, director, partner, proprietor, or employee since graduation from college; include a title and brief job description.  
  
**Since 1975, I have been self-employed as a farm owner/operator and as a licensed real estate professional. During my career, I have**

also served on the board of directors of several institutions and organizations. A brief description follows.

1975 to present: Owner/operator of a farm in Kane County, Illinois. The farm has raised cash grain and livestock, and is currently rented to a local tenant farmer for the 2006 crop year producing corn and soybeans.

1992 to present: Licensed real estate professional. Currently licensed by the State Of Illinois as a Real Estate Broker.

1994 to present: President of Country Home and Land Realty, Inc. The real estate company specializes in brokerage of land and rural residential properties in Northeast Illinois.

1981 to present: Member of the Board of Directors of 1<sup>st</sup> Farm Credit Services, Normal, Illinois. 1<sup>st</sup> Farm Credit Services is a direct lending Association of the Farm Credit System. Service has included Chairman of the Board and Chairman of the Audit Committee.

2005 to present: Member of the Board of Trustees of Country Mutual Funds Trust, Bloomington, Illinois. The Board of Trustees oversees the investment division of Country Insurance and Financial Services.

1996 to 2005: Member of the Board of Directors of AgriBank, FCB, St. Paul, Minnesota. AgriBank, FCB, is a District Bank of the Farm Credit System. Service included Vice-Chairman of the Board and membership of the Audit Committee.

1995-1996 and 2003-2005: Member of the Board of Directors of The Farm Credit Council, Washington, D.C. The Farm Credit Council is the national trade organization of the Farm Credit System institutions. Service included Chairman of the Farm Credit PAC Steering Committee.

1989-1991: Member of the Board of Directors of Central Production Credit Association, St. Louis, Missouri. CPCA was the consolidated association that resulted from the merger of the Production Credit Associations of the 6<sup>th</sup> Farm Credit District.

1980-1982: Member of the Board of Directors of Northern F.S. Inc. The company is a farm supply cooperative in Northeast Illinois.

6. Military Service: Have you had any military service? If so, give particulars, including the dates, branch of service, rank or rate, serial number and type of discharge received.

No

7. Government Service: State (chronologically) your government service or public offices you have held, including the terms of service grade levels and whether such positions were elected or appointed.

2000-2006 Federal Reserve Bank of Chicago, Member of the Advisory Council. In this capacity, I met regularly with the CEO and senior staff of the Bank to discuss regional economic conditions. Appointed

1998-2001 Kane County Republican Precinct Committee. Elected

1996-1998 Plan Commission Member, Village of Lily Lake, Illinois

1987-1991 Burlington Central School District #301 Board of Education. Served as Vice-Chairman of the Board. Elected

8. Honors and Awards: List any scholarships, fellowships, honorary degrees, and honorary society memberships that you received and believe would be of interest to the Committee.

None

9. Other Memberships: List all organizations to which you belong, excluding religious organizations.

American Farm Bureau Federation  
Illinois Farm Bureau  
Kane County Farm Bureau  
Illinois Agricultural Leadership Alumni Association

10. Political Affiliation: The statute creating the Farm Credit Administration requires that no more than two public members of the Board be from the same political party. List your current political party registration or affiliation.

Republican

11. Published Writings: List the titles, publishers, and dates of books, articles, reports, or other published materials (including

published speeches) you have written. Please include on this list published materials on which you are listed as the principal editor. It would be helpful to the Committee if you could provide one copy of all published material that may not be readily available. Also, to the maximum extent practicable, please supply a copy of all unpublished speeches you made during the past five years on issues involving agriculture, nutrition, forestry or commodity futures policy or related matters.

**None**

12. Health: What is the present state of your health?

**Excellent**

## FINANCIAL DATA AND CONFLICT OF INTEREST (PUBLIC)

1. Have you severed all connections with your immediate past private sector employers, business firms, associations, and/or organizations?

No. See explanation in question 12 below.

2. List sources, amounts and dates of all anticipated receipts from deferred income arrangements, stock options, incompleting contracts and other future benefits which you expect to derive from previous business relationships, professional services, firm memberships, former employers, clients, or customers.

None

3. Do you, or does any partnership or closely held corporation in which you have an interest, own or operate a farm or ranch? (If yes, please give a brief description including location, size and type of operation.)

Yes. I am the owner along with my wife of a 75 acre farm at 43W530 Burlington Rd., Elgin, Illinois located in Plato and Campton Townships of Kane County.

I am the co-owner along with my brother Dr. John Strom, of 20 acres of farmland at 7N411 Route 47, Maple Park, Illinois, located in Campton Township of Kane County.

I am a 1/8 owner of our family's 76 acre homestead farm located at 7N411 Route 47, Maple Park, Illinois, located in Campton Township of Kane County.

All of the farmland is currently rented and is producing corn and soybeans.

4. Have you, or any partnership or closely held corporation in which you have an interest, ever participated in Federal commodity price support programs? (If yes, provide all details including amounts of direct government payments and loans received or forfeited by crop and farm, etc. during the past five years.)

Yes. All related to corn and soybean production as follows:

2005 Direct and Counter Cyclical Program \$1,118.00

2004 Direct and Counter Cyclical Program \$3,376.00

2004 Loan Deficiency \$4,160.20

2004 Interest Payment \$3.39

2003 Direct and Counter Cyclical Program \$1,657.00

2002 Production Flexibility \$755.00

2001 Loan Deficiency \$2,493.06

2001 Production Flexibility \$778.00

2001 Marketing Loss Assistance \$888.00

5. Have you, or any partnership or closely held corporation in which you have an interest, ever received a direct or guaranteed loan from or cosigned a note to the Rural Business-Cooperative Service, Rural Housing Service, the Rural Utilities Service or their predecessor agencies, the Farmers Home Administration, the Rural Development Administration, the Rural Housing and Cooperative Development Service or the Rural Electrification Administration? (If yes, give details of any such loan activity during the past 5 years.)  

No
6. Have you, or any partnership or closely held corporation in which you have an interest, ever received payments for crop losses from the Federal Crop Insurance program? (If yes, give details.)  

No
7. If confirmed, do you have any plans, commitments, or agreements to pursue outside employment or engage in any business or vocation, with or without compensation, during your service with the government? (If so, explain.)  

No
8. Do you have any plans to resume employment, affiliation, or practice with your previous employers, business firms, associations, or organizations after completing government service? (If yes, give details.)  

No
9. Has anyone made a commitment to employ you or retain your services in any capacity after you leave government service? (If yes, please specify.)  

No
10. Identify all investments, obligations, liabilities, or other

relationships which involve potential conflicts of interest in the position to which you have been nominated.

Director of 1<sup>st</sup> Farm Credit Services (1<sup>st</sup> FCS), Normal, Illinois, which is a Farm Credit System institution regulated by the Farm Credit Administration (FCA).

Trustee of Country Mutual Funds Trust, Bloomington, Illinois

President of Country Home And Land Realty, Inc. Elgin, Illinois

Illinois Real Estate Brokers License

Owner of farmland in Kane County, Illinois

I am currently responsible for all or part of four loans from the 1<sup>st</sup> Farm Credit Services (1<sup>st</sup> FCS) in Normal, Illinois, which is a Farm Credit System institution regulated by the FCA.

Specifically, I am responsible for:

100 percent of two separate loans on 75 acres of farmland that I own with my spouse,  
50 percent of one loan on 20 acres of farmland that I own with my brother, and  
12.5 percent of one loan on 76 acres of farmland held in trust with my mother and siblings.

Because 1<sup>st</sup> FCS is a cooperative, I also own a small amount of stock in that entity.

11. Have you ever received a government guaranteed student loan? If so, has it been repaid?

No

12. If confirmed, explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

Upon confirmation, I will resign my outside positions with the following entities:

Director of 1<sup>st</sup> FCS, Normal, Illinois

Trustee of Country Mutual Funds Trust, Bloomington, Illinois

President of Country Home and Land Realty, Inc., and within 90

days of the date of my confirmation, I will dissolve the corporation.

I intend to maintain my Illinois Real Estate Broker's License, but will not use the license during my tenure on the FCA Board.

All of the farmland that I have an ownership interest is rented out and the only income derived from the land is in the form of rent. Although I plan to continue my ownership interest in the land, I will not provide services to, be involved in the management of, or receive any earned income from the land. In other words, any continuing ownership interest in my farmland will be passive for the duration of my service on the FCA Board.

I will within 90 days of the date of my confirmation, pay off 100 percent of all four loans owed to 1<sup>st</sup> FCS as specified in question #10 above. By paying off these loans, I will no longer have any stock interest in 1<sup>st</sup> FCS.

Until I resolve the conflicts of interest via the foregoing options, I will not participate personally and substantially in any particular matter that will have a direct and predictable effect on 1<sup>st</sup> FCS unless I first obtain a written waiver from the FCA's Designated Agency Ethics Official (DAEO) or qualify for a regulatory exemption.

For a period of one year after my termination from my positions at the organizations listed above, I will not participate in any particular matter involving specific parties in which any of these organizations is a party or represents a party unless the DAEO of FCA authorizes me to participate.

I agree that I will consult with the DAEO of FCA before participating in an official matter in which I have a concern about an actual or apparent conflict of interest.



United States  
**Office of Government Ethics**  
1201 New York Avenue, NW., Suite 500  
Washington, DC 20005-3917

August 10, 2006

The Honorable Saxby Chambliss  
Chairman  
Committee on Agriculture, Nutrition,  
and Forestry  
United States Senate  
Washington, DC 20510-6000

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Leland A. Strom, who has been nominated by President Bush for the position of Member of the Board of Directors of the Farm Credit Administration.

We have reviewed the report and have also obtained advice from the Farm Credit Administration concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is a letter dated August 2, 2006, from Mr. Strom to the agency's ethics official, outlining the steps Mr. Strom will take to avoid conflicts of interest. Unless a specific date has been agreed to, the nominee must fully comply within three months of his confirmation date with the actions he has agreed to take in his ethics agreement.

Based thereon, we believe that Mr. Strom is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert I. Cusick".

Robert I. Cusick  
Director

Enclosures

Form Approved  
5 CFR Part 2634  
OMB No. 3206-0001

Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT

Reporting Individual's Name Strom	Reporting Site (Check Appropriate Box)	Calendar Year Covered by Report	New Entrant, Nominee, or Candidate <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Termination Date (If Applicable) (Month, Day, Year)	Termination Reason <input type="checkbox"/> Resignation <input type="checkbox"/> Other	Fee for Late Filing Any individual who is required to file this report and does so more than 30 days after the filing deadline is required to be filed, or, if an extension is granted, more than 30 days after the last day of the filing extension period will be subject to a late filing fee.
Position for Which Filing Board Member	Incumbent <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Termination Date (If Applicable) (Month, Day, Year)			
Location of Present Office (or forwarding address)	Department or Agency (If Applicable) Farm Credit Administration					
Position(s) Held with the Federal Government During the Preceding 12 Months (If Not Same as Above)	Address (Number, Street, City, State, and ZIP Code) None					
Presidential Nominee Subject to Senate Confirmation	Title of Position(s) and Designation Held None					
Certification I CERTIFY that the information I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge.	Name of Congressional Committee, Commission, Nomination Committee on Agriculture, Nutrition, and Forestry	Do You Intend to Create a Qualified Divorced Trust? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	DATE (Month, Day, Year) May 26, 2006			
Other Review (If Desired by Agency)	Signature of Reporting Individual Edward A. Strom		DATE (Month, Day, Year) 8-2-06			
Agency Ethics Official's Opinion On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations with respect to any comments in the box below.	Signature of Reporting Individual Walter Miranda-Araed		DATE (Month, Day, Year) August 2, 2006			
Office of Government Ethics Use Only Comments of Reporting Official (If additional space is required, use the reverse side of this sheet)	Signature Walter Miranda-Araed		DATE (Month, Day, Year) 8/10/06			

Supplemental Form Editions, Which Cannot Be Used

278-11

NSN 7540-01-070-8444

(Check box if filing extension granted and indicate number of days)

(Check box if comments are continued on the reverse side)

Agency Use Only

OOE Use Only

AUG - 3 2006

SP278 (Rev. 12/2000)  
 5 CFR Part 2634  
 U.S. Office of Government Ethics

Reporting Individual's Name  
 Leland Anders Strom

Page Number  
 2

**SCHEDULE A**

Assets and Income	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.																
	BLOCK B										BLOCK C																
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	Over \$5,000,000	Over \$25,000,000	Over \$50,000,000	None (or less than \$201)	\$201 - \$1,000	\$1,001 - \$2,500	\$2,501 - \$5,000	\$5,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000	Over \$1,000,000*	Over \$5,000,000	Over \$25,000,000	Over \$50,000,000	Other Income (Specify Type & Actual Amount)	Date (M, Y, Yr.) Only if Honoraria		
<b>BLOCK A</b> For you, your spouse, and dependent children, report each asset held for investment or the production of income which had a fair market value exceeding \$1,000 at the close of the reporting period, and report the amount of income in income during the reporting period, together with such income.  For yourself, also report the source and actual amount of earned income exceeding \$200 (other than from the U.S. Government.) For your spouse, report the source but not the amount of earned income of more than \$1,000 (except report the actual amount of any honoraria over \$200 of your spouse).  None <input type="checkbox"/> Examples: <input type="checkbox"/> Central Airlines Common <input type="checkbox"/> Dye Jones & Smith, Hometown, State <input type="checkbox"/> Scorpion Equity Fund <input type="checkbox"/> R.A. Harwood 500 Index Fund																											
1 75 acres of farmland in Elgin, IL-owned with spouse (corn and soybeans)																											
2 20 acres of farmland in Maple Park, IL-undivided interest with brother. Asset value represents my 1/2 interest (corn and soybeans)																											
3 76 acres of farmland in Maple Park, IL -held in a Land Trust with mother, brother, and sister. Asset value represents my 1/8 interest (corn and soybeans)																											
4 1st Farm Credit Services Normal, IL 61761																											Director Fees
5 AgriBank, FCB St. Paul, MN																											Director Fees
6 The Farm Credit Council Washington, D.C.																											Director Fees

\*This category applies only if the asset/income is solely that of the filer or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.



SP278 (Rev. 3/2000)  
 5 CFR P-11.2034  
 U.S. Office of Government Ethics  
 Reporting Individual's Name  
 Leland Anders Strom

**SCHEDULE C**

Page Number 4

**Part I: Liabilities**  
 Report liabilities over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent children. Check the highest amount owed during the reporting period. Exclude:

Creditors (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (\$)
Examples: First District Bank, Washington, DC John Jones, 123 1 St., Washington, DC	Mortgage on rental property, Delaware Promissory note	1991 1999	8% 10%	25 yrs. on demand	Over \$10,000.00 \$15,000 \$15,000.01 \$50,000 \$50,000.01 \$100,000 \$100,000.01 \$250,000 \$250,000.01 \$500,000 \$500,000.01 \$1,000,000 \$1,000,000.01 \$5,000,000 \$5,000,000.01 \$10,000,000 Over
1 1st Farm Credit Services	Mortgage on a part of the 75 acres	2005	6.95%	20 yrs	X
2 1st Farm Credit Services	Mortgage on a part of the 75 acres	2001	4.85%	15 yrs	X
3 1st Farm Credit Services	Mortgage on 20 acres co-owned with brother	1998	4.85%	20yrs.	X
4 1st Farm Credit Services	Mortgage on 76 acres owned by land trust	1992	4.85%	20 yrs	X
5 1st Farm Credit Services	Operating line of credit -- paid off 4/2006	2003	variable	1 yr.	X

\*This category applies only if the liability is solely that of the filer's spouse or dependent children. If the liability is that of the filer or a joint liability of the filer with the spouse or dependent children, mark the other higher categories, as appropriate.

**Part II: Agreements or Arrangements**

Report your agreements or arrangements for: (1) continuing participation in an employee benefit plan (e.g. pension, 401K, deferred compensation); (2) continuation of payment by a former employer (including severance payments); (3) leaves

of absence; and (4) future employment. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

None

Status and Terms of any Agreement or Arrangement

Example: Pursuant to partnership agreement, will receive lump sum payment of capital account & partnership share calculated on service performed through 1/00

Parties	Date
Doe Jones & Smith, Hometown, State	7/85

Print Editions Cannot Be Used



**Leland A. Strom**  
**43 West 530 Burlington Road**  
**Elgin, Illinois 60123**  
**(847) 464-5866 (home)**  
**(630) 337-5866 (cell)**

August 2, 2006

Kathleen V. Buffon  
Designated Agency Ethics Official and Associate General Counsel  
FARM CREDIT ADMINISTRATION  
1501 Farm Credit Drive  
McLean, VA 22102-5090

Re: *Ethics Agreement*

Dear Ms. Buffon:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest if I am confirmed as Board Member of the Farm Credit Administration (FCA).

Conflict of Interest Law

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any other person whose *interests are imputed to me*. I can act on a matter subject to the § 208(a) prohibition only if I first obtain a written waiver under § 208(b)(1), or qualify for a regulatory exemption under § 208(b)(2).

I understand that the *interests of the following persons are imputed to me*:

- My spouse, minor children, general partner;
- Any organization in which I serve as officer, director, trustee, general partner or employee; and
- Any person or organization with which I am negotiating or have an arrangement for future employment.

Divestiture of Financial or Ownership Interests

I am currently responsible for all or part of four loans from the 1<sup>st</sup> Farm Credit Services (1<sup>st</sup> FCS) in Normal, Illinois, which is a Farm Credit System institution regulated by the FCA. Specifically, I am responsible for:

- 100 percent of two separate loans on 75 acres of farmland that I own with my spouse,
- 50 percent of one loan on 20 acres of farmland that I own with my brother, and
- 12.5 percent of one loan on 76 acres of farmland held in a land trust with my mother and siblings.

Because 1<sup>st</sup> FCS is a cooperative, I also own a small amount of stock in that entity.<sup>1</sup>

As reflected in this ethics agreement I will, within 90 days of the date of my confirmation:

- 1) Pay off 100 percent of all four loans owed to 1<sup>st</sup> FCS specified above.
- 2) Dissolve the corporation that I own, entitled *Country Home and Land Realty, Inc.* (which has been inactive since 2002 and has no current asset value or income since 2002) and resign as President.

By paying off these loans, I will no longer have any stock interest in 1<sup>st</sup> FCS. Once I pay off my loans with 1<sup>st</sup> FCS, I will provide the dates of repayment in a letter to the FCA, which it will forward to OGE as evidence of my compliance with the agreement.

I have explained that all three parcels of farmland are rented out and the only income derived from the land is in the form of rent. Although I will continue my ownership interest in three parcels of farmland, I will not provide services to, be involved in the management of, or receive any earned income from my farmland. In other words, any continuing ownership interest in my farmland will be passive for the duration of my service on the FCA Board.

As I have also explained, my realty business incorporated as *Country Home and Land Realty, Inc.*, was begun in 1994 and operated out of my home. The business has been inactive since 2002 and has no current asset value or income since 2002. Although I intend to maintain my real estate license, I will not use the license during my tenure on the FCA Board. Within 90 days of the date of my confirmation, I will dissolve *Country Home and Land Realty, Inc.* and resign as President. Once the corporation is dissolved, I will provide the FCA with the documentation, which it will forward to OGE.

Until I resolve the conflicts of interest via the foregoing options, I will not participate personally and substantially in any particular matter that will have a direct and predictable effect on 1<sup>st</sup> FCS unless I first obtain a written waiver from the FCA's Designated Agency Ethics Official (DAEO) or qualify for a regulatory exemption.

#### Necessary Resignations

Upon confirmation, I will also resign my outside positions with the following entities:

##### Position and Entity

- Director of 1<sup>st</sup> FCS,
- Trustee of Country Mutual Funds Trust, and
- President of Country Home and Land Realty, Inc.

<sup>1</sup> Although 1<sup>st</sup> FCS will be starting a patronage program, I will repay the loans before becoming eligible for any patronage allocation.

Impartiality Rule

Pursuant to the impartiality rule at 5 C.F.R. § 2635.502, for a period of one year after my termination from my positions at the organizations listed above, I will not participate in any particular matter involving specific parties in which any of these organizations is a party or represents a party unless the DAEO of FCA authorizes me to participate.

I agree that I will consult with the DAEO before participating in an official matter in which I have a concern about an actual or apparent conflict of interest.

Sincerely,

A handwritten signature in black ink, appearing to read "Leland A. Strom". The signature is written in a cursive style with a large initial "L".

Leland A. Strom

**Leland A. Strom**  
**43 West 530 Burlington Road**  
**Elgin, Illinois 60123**  
**(847) 464-5866 (home)**  
**(630) 337-5866 (cell)**

December 1, 2006

The Honorable Saxby Chambliss, Chairman  
Committee on Agriculture, Nutrition, and Forestry  
United States Senate  
Washington, D.C. 20510-6000

Dear Mr. Chairman:

On June 15, 2006, the Farm Credit Administration (FCA) sent a copy of my Public Financial Disclosure Report (SF 278) to the Office of Government Ethics. I am required to complete the SF 278 for my nomination to serve as Member of the FCA Board. The SF 278 contains all required financial information for the relevant reporting periods through May 26, 2006. However, under the Ethics in Government Act of 1978, as amended, I must update certain information on the SF 278 to accurately reflect its status as of five days before the date of my confirmation hearing before your Committee. The date for my confirmation hearing is December 6, 2006.

**5-Day Update**

Section 202(a) of the Ethics in Government Act requires an update of any income (other than dividends, interest, rents, and capital gains) and honoraria that my spouse or I have received since filing the SF 278. Since the May 26, 2006, filing of my SF 278, my spouse and I have received the following honoraria and income:

I have received \$3,750.00 Director Fees from 1<sup>st</sup> Farm Credit Services.  
I have received \$1,500.00 in Director Fees from Country Mutual Funds Trust.

My wife Twyla received \$41,854.38 inheritance from the settlement of her mother's estate.

In the review of my SF278 form, I noticed on page 2 of schedule A some changes that should be made as follows:

Item #1 should reflect 70 acres of farmland with an asset value of \$500,000 to \$1,000,000 in Block B, as I had originally included the value of our home and 5 acres. The income should be marked in the \$15,000 to \$50,000 range in Block C.

Item #2, the 20 acres of farmland, should be marked in the Asset value range of \$100,000 to \$250,000 in Block B, as I had included the entire value in my original submission not my 1/2 share. The income in Block C should be marked in the \$1,001 to \$2,500 range.

Item #3, the 76 acres of farmland should be marked in the \$100,000 to \$250,000 asset value range in Block B, as I had included the entire value in my original submission not my 1/8 share. The income in Block C should be marked in the \$2,500 to \$5,000 range.

I believe that I have satisfied all financial reporting requirements with this updated information. I would be happy to respond to any questions you may have.

Sincerely,

Leland A. Strom

cc: Kathleen V. Buffon, DAEO  
Office of General Counsel  
Farm Credit Administration  
1501 Farm Credit Drive  
McLean, Virginia 22102

Robert I. Cusick, Director  
U.S. Office of Government Ethics  
Suite 500  
1201 New York Avenue, N.W.  
Washington, D.C. 20005-3917

