

SENATE CONCURRENT RESOLUTION NO. 20

BY KIBBIE

A Concurrent Resolution requesting that the President of the United States, the United States Congress, and the United States Department of Agriculture reconsider and revise proposed rule exceptions to the Livestock Mandatory Reporting Act of 1999.

WHEREAS, enactment of the federal Livestock Mandatory Reporting Act of 1999 represents one of the most important livestock market reforms since passage of the Packers and Stockyard Act of 1921; and

WHEREAS, implementation of mandatory price reporting is necessary to restore transparency to livestock markets increasingly dominated by direct marketing and integrated production systems; and

WHEREAS, a rule proposed by the United States Department of Agriculture whereby the department would not publish prices in reporting regions where three or fewer packers report prices on any given day or where a single packer represents 60 percent or more of purchases reported in a given region would seriously undermine both the intent and effectiveness of mandatory price reporting; and

WHEREAS, implementation of this rule will likely result in large gaps in market price information, contrary to one of the primary purposes of the Livestock Mandatory Reporting Act, which is intended to check the monopolistic opportunities of packers which dominate regional markets; and

WHEREAS, the United States Department of

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1 Agriculture's proposed rule fails to disclose the
2 extent of volume premiums paid by packers to large
3 volume producers and such price discrimination
4 threatens the survival of moderate-size independent
5 producers; and

6 WHEREAS, moderate-size independent producers need
7 information on the extent of such premiums to
8 strengthen their marketing position and policymakers
9 need information on such premiums to determine an
10 appropriate policy response; NOW THEREFORE,

11 BE IT RESOLVED BY THE SENATE, THE HOUSE OF
12 REPRESENTATIVES CONCURRING, That the Iowa General
13 Assembly urges the President of the United States, the
14 Congress of the United States, and the United States
15 Department of Agriculture to reconsider and revise the
16 department's proposed rule, with the purpose of making
17 available the most market information possible, and to
18 provide for public reporting of volume premiums
19 offered to large producers.

20 BE IT FURTHER RESOLVED, That a copy of this
21 Resolution be sent by the Secretary of the Senate to
22 the President of the United States, the President of
23 the United States Senate, the Speaker of the United
24 States House of Representatives, and members of Iowa's
25 congressional delegation.

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