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2D SESSION

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To improve reporting in the livestock industry and to ensure the competitiveness of livestock producers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 10, 1996

Mr. CONRAD (for himself, Mr. DORGAN, and Mr. KERREY) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To improve reporting in the livestock industry and to ensure the competitiveness of livestock producers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Livestock Market Revi-
5 talization Act of 1996”.

6 **SEC. 2. CAPTIVE SUPPLY.**

7 (a) DEFINITION OF CAPTIVE SUPPLY.—Section 2(a)
8 of the Packers and Stockyards Act, 1921 (7 U.S.C.
9 182(a)), is amended by adding at the end the following:

1 “(12) CAPTIVE SUPPLY.—The term ‘captive
2 supply’ means livestock acquired for slaughter by a
3 packer (including livestock delivered 7 days or more
4 before slaughter) under a standing purchase ar-
5 rangement, forward contract, or packer ownership,
6 feeding, or financing arrangement, as determined by
7 the Secretary.”.

8 (b) ANNUAL REPORT ON LIVESTOCK MARKETED OR
9 SLAUGHTERED.—Section 407 of the Packers and Stock-
10 yards Act, 1921 (7 U.S.C. 228), is amended by adding
11 at the end the following:

12 “(f) ANNUAL REPORT ON LIVESTOCK MARKETED OR
13 SLAUGHTERED.—

14 “(1) IN GENERAL.—The Secretary shall make
15 available to the public an annual statistical report on
16 the number and volume of livestock marketed or
17 slaughtered in the United States, including—

18 “(A) information collected on the date of
19 enactment of this Act; and

20 “(B) information on transactions involving
21 livestock in regional and local markets.

22 “(2) ADMINISTRATION.—In carrying out para-
23 graph (1), the Secretary shall ensure that—

24 “(A) a significant share of regional and
25 local livestock transactions are reported; and

1 “(B) the confidentiality of individual live-
2 stock transactions is maintained.”.

3 (c) INFORMATION ON CAPTIVE SUPPLY TRANS-
4 ACTIONS.—Section 407 of the Packers and Stockyards
5 Act, 1921 (7 U.S.C. 228), as amended by subsection (b),
6 is amended by adding at the end the following:

7 “(g) INFORMATION ON CAPTIVE SUPPLY TRANS-
8 ACTIONS.—

9 “(1) IN GENERAL.—Not later than 24 hours
10 after a transaction involving captive supply is re-
11 corded, the Secretary shall make information con-
12 cerning the transaction (including the specific stand-
13 ing arrangement) available to the public using elec-
14 tronic and other means that will ensure wide avail-
15 ability of the information.

16 “(2) ONGOING LIVESTOCK TRANSACTIONS.—
17 Any information collected on captive supply under
18 paragraph (1) shall be reported in conjunction with
19 ongoing livestock transactions.”.

20 **SEC. 3. MONITORING OF ANTITRUST AND ANTICOMPETI-**
21 **TIVE BEHAVIOR AMONG PACKERS AND**
22 **STOCKYARDS.**

23 (a) IN GENERAL.—Section 407 of the Packers and
24 Stockyards Act, 1921 (7 U.S.C. 228) (as amended by sec-
25 tion 2(c)), is amended by adding at the end the following:

1 “(h) MONITORING OF ANTITRUST AND ANTI-
2 COMPETITIVE BEHAVIOR.—

3 “(1) IN GENERAL.—The Secretary shall—

4 “(A) review and monitor the degree of
5 antitrust and anticompetitive behavior on a na-
6 tional, regional, and local basis (as defined by
7 the Secretary) among packers, stockyard own-
8 ers, market agencies, and dealers to ensure
9 compliance with Federal law and to ensure that
10 actions taken by packers, stockyard owners,
11 market agencies, and dealers will enhance, and
12 not diminish, competitiveness; and

13 “(B) report the results of the review and
14 monitoring to Congress, the Attorney General,
15 and the public.

16 “(2) COORDINATION.—The Secretary and the
17 Attorney General shall coordinate efforts to ensure
18 that packers, stockyard owners, market agencies,
19 and dealers do not violate Federal law relating to
20 antitrust and anticompetitive behavior.”.

21 (b) REPORTS.—Not later than 60 days after the date
22 of enactment of this Act, the Secretary of Agriculture shall
23 submit to the Committee on Agriculture of the House of
24 Representatives and the Committee on Agriculture, Nutri-
25 tion, and Forestry of the Senate—

1 (1) a report that—

2 (A) assesses the resource needs of the De-
3 partment of Agriculture for effectively carrying
4 out section 407(h) of the Packers and Stock-
5 yards Act, 1971 (7 U.S.C. 228(h)) (as added by
6 subsection (a)); and

7 (B) includes a request for any additional
8 funding that may be required for effectively
9 carrying out section 407(h) of the Act; and

10 (2) a report that assesses progress in imple-
11 menting additional monitoring activities identifying
12 geographical procurement markets described in the
13 report entitled “Monitoring by Packers and Stock-
14 yard Administration”, dated October 1991 (GAO/
15 RCED-92-36).

16 **SEC. 4. COLLECTION AND DISSEMINATION OF MARKETING**
17 **INFORMATION.**

18 Section 204(g) of the Agricultural Marketing Act of
19 1946 (7 U.S.C. 1622(g)) is amended by adding at the end
20 the following: “In carrying out this subsection, on a na-
21 tional, regional, and local basis (as defined by the Sec-
22 retary), the Secretary shall—

23 “(1) provide price information, with emphasis
24 on providing the information at the point of sale;

1 “(2) provide price and other information on a
2 regular and timely basis;

3 “(3) make the information available to the pub-
4 lic electronically;

5 “(4) collect and disseminate information sup-
6 plied by packers (as defined in section 201 of the
7 Packers and Stockyards Act, 1921 (7 U.S.C. 191))
8 on contract pricing related to captive supply (as de-
9 fined in section 2 of the Act (7 U.S.C. 182));

10 “(5) to the extent practicable, promote the use
11 of consistent, value-based pricing methodology
12 throughout the meat industry; and

13 “(6) report, on a weekly basis, the volume of
14 cattle and meat products imported into the United
15 States.”.

16 **SEC. 5. COOPERATIVE BARGAINING.**

17 Section 4 of the Agricultural Fair Practices Act of
18 1967 (7 U.S.C. 2303) is amended by adding at the end
19 the following:

20 “(g) To fail to engage in good-faith negotiations with
21 producer cooperatives (including new cooperatives), or to
22 unfairly discriminate among producer cooperatives (in-
23 cluding new cooperatives), with respect to the purchase,
24 acquisition, or other handling of agricultural products.”.

1 **SEC. 6. LABELING OF MEAT AND MEAT FOOD PRODUCTS.**

2 Section 7(b) of the Federal Meat Inspection Act (21
3 U.S.C. 607(b)) is amended by striking “require,” and all
4 that follows through the period at the end and inserting
5 “require—

6 “(1) the information required under section
7 1(n); and

8 “(2) if it was imported (or was produced from
9 an animal that was located in another country for at
10 least 120 days) and is graded, a grading labeling
11 that bears the words ‘imported’, ‘may have been im-
12 ported’, ‘this product contains imported meat’, ‘this
13 product may contain imported meat’, ‘this container
14 contains imported meat’, or ‘this container may con-
15 tain imported meat’, as the case may be, or words
16 to indicate its country of origin.”.

17 **SEC. 7. LIVESTOCK INDUSTRY COMMISSION.**

18 (a) IN GENERAL.—The Secretary of Agriculture
19 shall, in consultation with representatives of the livestock
20 industry, establish a national commission composed of
21 nongovernmental members appointed by the Secretary to
22 study and recommend means of modernizing the livestock
23 industry and responding to the consumer demand for red
24 meat.

1 (b) STUDY.—In carrying out this section, the com-
2 mission shall analyze costs and benefits, and make rec-
3 ommendations with respect to—

4 (1) value-added livestock products;

5 (2) the impact of antitrust and anticompetitive
6 behavior on cattle prices;

7 (3) the grading system for meat used by the
8 Secretary; and

9 (4) refunds of assessments collected under the
10 Beef Research and Information Act (7 U.S.C. 2901
11 et seq.).

12 (c) REPORT.—Not later January 1, 2000, the com-
13 mission shall submit a report the describes the results of
14 the study required under this section to the Committee
15 on Agriculture of the House of Representatives and the
16 Committee on Agriculture, Nutrition, and Forestry of the
17 Senate.

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