

4-18/96 H- adopted
APR 10 1996

S-4/22/96 Agriculture Laid Over Under Rule 25

HOUSE CONCURRENT RESOLUTION NO. 125

BY MEYER

1 A House Concurrent Resolution to urge the federal
2 government to ensure fair and competitive
3 market practices for the purchase of livestock
4 from producers by packers and livestock buyers.

5 WHEREAS, agriculture has traditionally represented
6 the foundation of this nation's economic prosperity,
7 providing a system unmatched in the world for the
8 abundant and affordable production of food, feed
9 grains, and animal products, which maintains this
10 nation's people and contributes billions of dollars in
11 revenue each year from export sales; and

12 WHEREAS, the production of livestock by this
13 nation's farmers and ranchers represents a key
14 component of this nation's prosperity, by providing
15 numerous value-added food and other products upon
16 which this nation depends; and

17 WHEREAS, the state of Iowa is a leading
18 agricultural state which has developed and is
19 expanding infrastructure for the production and
20 processing of livestock, by relying upon its abundant
21 supplies of feed grains and the management and
22 knowledge of its producers, to consistently rank among
23 the top livestock-producing states in the nation; and

24 WHEREAS, this system of livestock production, which
25 has contributed to the economic security of the United
26 States, depends upon farmers and ranchers competing in
27 fair and open markets which ensure that producers have
28 an equal opportunity to sell livestock to packers and
29
30

HER 125

1 buyers based on animal carcass value; and
2 WHEREAS, the practice of engaging in special
3 pricing arrangements which are not justifiable between
4 packers or buyers and producers erodes this nation's
5 system of open and fair markets, by establishing
6 arbitrary and inconsistent pricing without public
7 disclosure or price discovery, and which, if allowed
8 to replace the current system and distort market
9 forces, will create relationships which, in some
10 cases, will be unfair to producers and in other cases
11 will be unfair to packers and buyers; and

12 WHEREAS, the United States Congress enacted the
13 Packers and Stockyards Act of 1921 as amended, 21
14 U.S.C. § 181 et seq., to ensure fair and competitive
15 pricing practices between packers or buyers and
16 producers; NOW THEREFORE,

17 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, THE
18 SENATE CONCURRING, That the Congress of the United
19 States; the President of the United States; the
20 Secretary of Agriculture, United States Department of
21 Agriculture; and the Grain Inspection, Packers and
22 Stockyards Administration, United States Department of
23 Agriculture, support a price reporting system that
24 includes the disclosure of prices paid for the
25 purchase of livestock each week to be reported by the
26 United States Department of Agriculture; and

27 BE IT FURTHER RESOLVED, That pricing practices be
28 reviewed for purposes of developing and enforcing
29 standards and limitations regarding justifiable price
30 differences based on the time of delivery, carcass

1 value, and private pricing arrangements under
2 contract; and

3 BE IT FURTHER RESOLVED, That the Grain Inspection,
4 Packers and Stockyards Administration, United States
5 Department of Agriculture, complete or update ongoing
6 studies evaluating the effects of justifiable pricing
7 differences; and

8 BE IT FURTHER RESOLVED, That interested members of
9 the Iowa General Assembly, including members of the
10 Legislative Council of the Iowa General Assembly, are
11 encouraged to discuss these issues with legislative
12 members representing other midwestern states,
13 including supporting forums sponsored by the National
14 Conference of State Legislatures and the Council of
15 State Governments, in order to ensure a coordinated
16 legislative response to issues relating to ensuring
17 fair and competitive market practices, if the federal
18 government does not take action to ensure fair and
19 competitive market practices during the 1996 calendar
20 year; and

21 BE IT FURTHER RESOLVED, That if the federal
22 government does not take action to support a price
23 reporting system that includes disclosure of prices
24 paid for the purchase of livestock and prohibits
25 packers from unjustly discriminating in the prices
26 that they offer to different producers, the Iowa
27 General Assembly shall consider these issues during
28 the next regular session of the Seventy-seventh Iowa
29 General Assembly; and

30 BE IT FURTHER RESOLVED, That a copy of this

1 resolution be sent by the Chief Clerk of the House of
2 Representatives to the National Conference of State
3 Legislatures and the Council of State Governments; and

4 BE IT FURTHER RESOLVED, That a copy of this
5 resolution be sent by the Chief Clerk of the House of
6 Representatives to the President of the Senate of the
7 United States; the Speaker of the House of
8 Representatives of the United States; the chairman of
9 the United States Senate Committee on Agriculture,
10 Nutrition, and Forestry; the chairman of the United
11 States House of Representatives Committee on
12 Agriculture; members of Iowa's congressional
13 delegation; the President of the United States; the
14 Secretary of Agriculture, United States Department of
15 Agriculture; and the Administrator of the Grain
16 Inspection, Packers and Stockyards Administration,
17 United States Department of Agriculture.

18
19
20
21
22
23
24
25
26
27
28
29
30