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Livestock Mandatory Reporting Act of 1999: PowerPoint Presentation

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Prepared for
USDA Agricultural Outlook Forum

February 2000

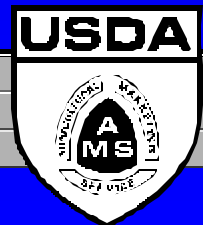
MANDATORY LIVESTOCK REPORTING

Dr. Kenneth Clayton

Associate Administrator

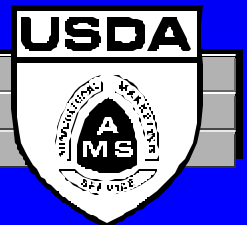
Agricultural Marketing Service

USDA



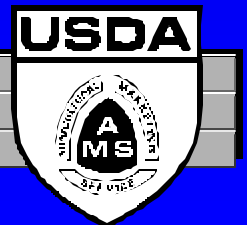
BACKGROUND

- Decline in Negotiated Sales
- Increase in Marketing Arrangements
- GIPSA and GAO Studies



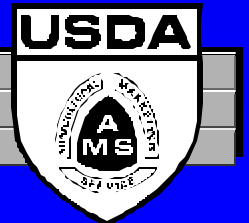
LIVESTOCK MANDATORY REPORTING ACT - DEVELOPMENT

- Signed into Law on October 22, 1999
- Five States Passed Price Reporting Laws
- Producer Groups and Major Packers
Worked Together to Develop Language
- Strong Congressional Support Especially
from Livestock Producing States



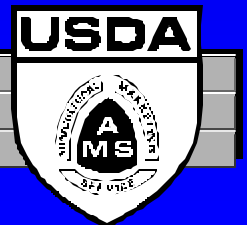
OVERVIEW OF THE ACT

- Amends the Agricultural Marketing Act of 1946
- Changes AMS Voluntary Reporting For:
 - Slaughter Cattle
 - Slaughter Hogs
 - Boxed Beef
 - Lamb



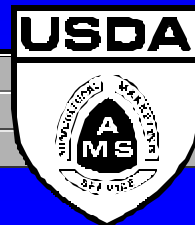
OTHER PROVISIONS AND RESPONSIBLE AGENCIES

- Retail Price Reporting - ERS
- Export Meat Reporting - FAS
- Export Certificates for Meat Products - FSIS
- Meat Import Data - FSIS
- Barrow and Gilt Slaughter - FSIS



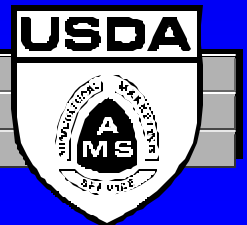
OTHER PROVISIONS AND RESPONSIBLE AGENCIES

- Live Animal Imports - APHIS
- Monthly Hog and Pig Inventory - NASS
- Swine Packer Marketing Contracts - GIPSA
- Trim Loss Study and Report - Unassigned



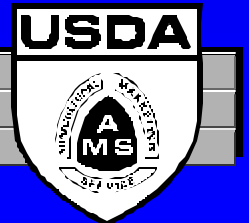
General Requirements of the Act

- Slaughter Cattle Purchases
 - Packers slaughtering 125,000 head/year
 - Approximately 50 of 800 Plants
 - Excludes Approximately 94%
 - Negotiated Trades
 - Formula Marketing Arrangements
 - Forward Contracts



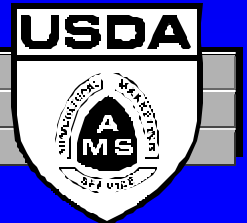
General Requirements of the Act

- Boxed Beef Sales
 - 125,000 head/year
 - Current Voluntary Becomes Mandatory -
Cannot Selectively Report Sales



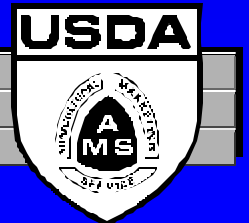
General Requirements of the Act

- Slaughter Hogs
 - 100,000 head/year
 - Approximately 50 of 750 Plants
 - Excludes Approximately 93%
 - Negotiated Trades
 - Swine or Pork Market Formula Purchases
 - Other Market Formula Purchases
 - Other Purchases



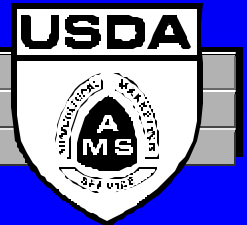
General Requirements of the Act

- Lamb Reporting
 - Secretary has Full Discretion to Develop Regulations



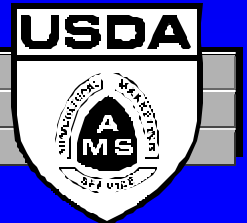
General Requirements of the Act

- Preemption of State Laws
- Only Preempts Requirements for Reporting Volume and Price
- Effective with Implementation of Federal Law



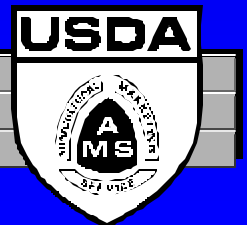
IMPLEMENTATION

- Act has a Specific Timeline
- Proposed Rule in Final Clearance
- Hiring Staff - in Progress
- Purchasing Hardware - in Progress
- Developing Software - in Progress
- Targeting Implementation for Mid to Late Summer



FUNDING

- Received \$4.7 Million for FY 2000
- Requested \$5.5 Million for FY 2001



Summary

- Aggressive Schedule
- Wide Producer Support
- USDA will Strive to Implement Program that will:
 - Provide Producers with Complete Market Information
 - Assure a Transparent Market Place
 - Minimize Burden on Packers

