

.....
(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R. _____

To amend the Agricultural Marketing Act of 1946, to establish a cattle contract library, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. JOHNSON of South Dakota introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Agricultural Marketing Act of 1946, to establish a cattle contract library, 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 “Cattle Contract Li-
5 brary Act of 2021”.

6 **SEC. 2. CATTLE CONTRACT LIBRARY.**

7 Chapter 2 of subtitle B of the Agricultural Marketing
8 Act of 1946 (7 U.S.C. 1635d et seq.) is amended by add-
9 ing at the end the following:

1 **“SEC. 224. CATTLE CONTRACT LIBRARY.**

2 “(a) IN GENERAL.—Not later than 90 days after the
3 enactment of this Act, the Secretary shall establish and
4 maintain a library or catalog of each type of contract of-
5 fered by packers to producers for the purchase of all or
6 part of the producers’ production of fed cattle (including
7 cattle that are purchased or committed for delivery), in-
8 cluding any schedules of premiums or discounts associated
9 with the contract.

10 “(b) INFORMATION COLLECTION.—

11 “(1) IN GENERAL.—To maintain the library or
12 catalog established under subsection (a), the Sec-
13 retary shall obtain information from each packer on
14 each type of contract of the packer by requiring a
15 filing or other form of information submission from
16 each packer.

17 “(2) CONTRACTED CATTLE INFORMATION.—In-
18 formation submitted to the Secretary by a packer
19 under paragraph (1) shall include, with respect to
20 each contract of a packer—

21 “(A) the type of contract;

22 “(B) the duration of the contract;

23 “(C) all contract summary information;

24 “(D) provisions in the contract that may
25 affect the price of cattle covered by the contract
26 including—

1 “(i) base price;

2 “(ii) schedules of premiums or dis-
3 counts; and

4 “(iii) transportation arrangements;

5 “(E) the total number of cattle covered by
6 the contract solely committed to the packer
7 each week within the 6-month and 12-month
8 periods following the date of the contract, by
9 reporting region;

10 “(F) in the case of a contract in which a
11 specific number of cattle are not solely com-
12 mitted to the packer—

13 “(i) an indication that the contract is
14 an open commitment; and

15 “(ii) any weekly, monthly, annual, or
16 other limitations on the number of cattle
17 that may be delivered to the packer under
18 the contract; and

19 “(G) a description of the provisions in the
20 contract that provide for expansion in the com-
21 mitted numbers of fed cattle to be delivered
22 under the contract for the 6-month and 12-
23 month periods following the date of the con-
24 tract.

25 “(c) AVAILABILITY OF INFORMATION.—

1 “(1) LIBRARY CONTENTS.—The Secretary shall
2 make publicly available in a user-friendly format a
3 summary of the information collected for each type
4 of contract under subsection (b), including notice
5 (on a real-time basis, if practicable) of the types of
6 contracts that are being offered by packers to, and
7 are open to acceptance by, producers for the pur-
8 chase of fed cattle.

9 “(2) REPORTS REQUIRED.—Beginning not later
10 than 30 days after the date on which the library or
11 catalog is established under subsection (a), the Sec-
12 retary shall make publicly available weekly or
13 monthly reports for producers and other interested
14 persons, which shall include—

15 “(A) based on the information collected
16 under subsection (b)(2)(E), the total number of
17 fed cattle committed under contracts for deliv-
18 ery to packers within the 6-month and 12-
19 month periods following the date of the report,
20 organized by reporting region and type of con-
21 tract;

22 “(B) based on the information collected
23 under subsection (b)(2)(F), the number of con-
24 tracts with an open commitment along with any
25 weekly, monthly, annual or other limitations on

1 the number of cattle that may be delivered
2 under such contracts; and

3 “(C) based on the information collected
4 under subsection (b)(2)(G), the total maximum
5 number of fed cattle that may be delivered
6 within the 6-month and 12-month periods fol-
7 lowing the date of the report, organized by re-
8 porting region and type of contract.

9 “(d) MAINTENANCE OF LIBRARY OR CATALOG.—In-
10 formation in the library or catalog established under sub-
11 section (a) about types of contracts that are no longer of-
12 fered or in use shall be labeled as inactive in the library
13 or catalog.

14 “(e) CONFIDENTIALITY.—The publication of infor-
15 mation under this section shall be subject to the confiden-
16 tiality protections provided under section 251 of the Agri-
17 cultural Marketing Act of 1946 (7 U.S.C. 1636).

18 “(f) VIOLATIONS.—It shall be unlawful and a viola-
19 tion of this Act for any packer to willfully fail or refuse—

20 “(1) to provide to the Secretary accurate infor-
21 mation required under this section; or

22 “(2) to comply with any other requirement of
23 this section.

24 “(g) PRODUCER EDUCATION GRANTS.—

1 “(1) IN GENERAL.—The Secretary, acting
2 through the Administrator of the Agricultural Mar-
3 keting Service and in coordination with the Director
4 of the National Institute of Food and Agriculture,
5 shall make competitive grants to eligible entities for
6 producer outreach and education efforts on best uses
7 of cattle market information, including information
8 made available through the livestock mandatory re-
9 porting program and the catalog or library estab-
10 lished under subsection (a).

11 “(2) SELECTION CRITERIA.—In selecting grant
12 recipients under this section, the Secretary shall give
13 priority to eligible entities that—

14 “(A) demonstrate an ability to work di-
15 rectly with cattle producers;

16 “(B) can quickly and accurately publish
17 and disseminate information and analysis of rel-
18 evant Department of Agriculture data in a
19 manner that benefits producer decision making;
20 and

21 “(C) collaborate with trade associations or
22 other organizations with a demonstrated ability
23 to provide educational programs on markets
24 and risk-management.

1 “(3) ELIGIBLE ENTITY.—The term ‘eligible en-
2 tity’ means an entity listed in subsection (b)(7) of
3 the Competitive, Special, and Facilities Research
4 Grant Act (7 U.S.C. 3157(b)(7)).

5 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated to the Secretary such
7 sums as are necessary to carry out this section.”.

8 **SEC. 3. DEFINITIONS.**

9 Section 221 of the Agricultural Marketing Act of
10 1946 (7 U.S.C. 1635d) is amended—

11 (1) by amending paragraph (3) to read as fol-
12 lows:

13 “(3) FORMULA MARKETING ARRANGEMENT.—
14 The term ‘formula marketing arrangement’ means
15 the advance commitment of cattle for slaughter—

16 “(A) by any means other than through a
17 negotiated purchase, negotiated grid purchase,
18 or a forward contract; and

19 “(B) using a method for calculating price
20 under which the price is determined at a future
21 date.”;

22 (2) by redesignating paragraphs (5), (6), (7),
23 and (8) as paragraphs (6), (7), (8), and (10), re-
24 spectively;

1 (3) by inserting after paragraph (4) the fol-
2 lowing:

3 “(5) NEGOTIATED GRID PURCHASE.—The term
4 ‘negotiated grid purchase’ means a purchase of fed
5 cattle by a packer from a producer under which—

6 “(A) the base price for the cattle is deter-
7 mined by seller-buyer interaction on a day;

8 “(B) the cattle are scheduled for delivery
9 to the packer not more than 14 days after the
10 date on which the agreement for purchase is
11 made; and

12 “(C) the base price is subject to adjust-
13 ment by premiums and discounts after deliv-
14 ery.”; and

15 (4) by inserting after paragraph (8) the fol-
16 lowing:

17 “(9) TYPE OF CONTRACT.—The term ‘type of
18 contract’ means the classification of contracts for
19 the purchase of fed cattle based on the mechanism
20 used to determine the base price for the fed cattle
21 committed to a packer under the contract, including
22 formula purchases, negotiated grid purchases, for-
23 ward contracts, and other purchase agreements, as
24 determined by the Secretary.”.