

117TH CONGRESS
1ST SESSION

H. R. 5609

IN THE SENATE OF THE UNITED STATES

DECEMBER 9, 2021

Received; read twice and referred to the Committee on Agriculture, Nutrition,
and Forestry

AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Cattle Contract Li-
3 brary Act of 2021”.

4 **SEC. 2. CATTLE CONTRACT LIBRARY.**

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

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

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

17 “(b) INFORMATION COLLECTION.—

18 “(1) IN GENERAL.—To maintain the library or
19 catalog established under subsection (a), the Sec-
20 retary shall obtain information from each packer on
21 each type of contract of the packer by requiring a
22 filing or other form of information submission from
23 each packer.

24 “(2) CONTRACTED CATTLE INFORMATION.—In-
25 formation submitted to the Secretary by a packer

1 under paragraph (1) shall include, with respect to
2 each contract of a packer—

3 “(A) the type of contract;

4 “(B) the duration of the contract;

5 “(C) all contract summary information;

6 “(D) provisions in the contract that may
7 affect the price of cattle covered by the contract
8 including—

9 “(i) base price;

10 “(ii) schedules of premiums or dis-
11 counts; and

12 “(iii) transportation arrangements;

13 “(E) the total number of cattle covered by
14 the contract solely committed to the packer
15 each week within the 6-month and 12-month
16 periods following the date of the contract, by
17 reporting region;

18 “(F) in the case of a contract in which a
19 specific number of cattle are not solely com-
20 mitted to the packer—

21 “(i) an indication that the contract is
22 an open commitment; and

23 “(ii) any weekly, monthly, annual, or
24 other limitations on the number of cattle

1 that may be delivered to the packer under
2 the contract; and

3 “(G) a description of the provisions in the
4 contract that provide for expansion in the com-
5 mitted numbers of fed cattle to be delivered
6 under the contract for the 6-month and 12-
7 month periods following the date of the con-
8 tract.

9 “(c) AVAILABILITY OF INFORMATION.—

10 “(1) LIBRARY CONTENTS.—The Secretary shall
11 make publicly available in a user-friendly format a
12 summary of the information collected for each type
13 of contract under subsection (b), including notice
14 (on a real-time basis, if practicable) of the types of
15 contracts that are being offered by packers to, and
16 are open to acceptance by, producers for the pur-
17 chase of fed cattle.

18 “(2) REPORTS REQUIRED.—Beginning not later
19 than 30 days after the date on which the library or
20 catalog is established under subsection (a), the Sec-
21 retary shall make publicly available weekly or
22 monthly reports for producers and other interested
23 persons, which shall include—

24 “(A) based on the information collected
25 under subsection (b)(2)(E), the total number of

1 fed cattle committed under contracts for deliv-
2 ery to packers within the 6-month and 12-
3 month periods following the date of the report,
4 organized by reporting region and type of con-
5 tract;

6 “(B) based on the information collected
7 under subsection (b)(2)(F), the number of con-
8 tracts with an open commitment along with any
9 weekly, monthly, annual or other limitations on
10 the number of cattle that may be delivered
11 under such contracts; and

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

18 “(d) MAINTENANCE OF LIBRARY OR CATALOG.—In-
19 formation in the library or catalog established under sub-
20 section (a) about types of contracts that are no longer of-
21 fered or in use shall be labeled as inactive in the library
22 or catalog.

23 “(e) CONFIDENTIALITY.—The publication of infor-
24 mation under this section shall be subject to the confiden-

1 tiality protections provided under section 251 of the Agri-
2 cultural Marketing Act of 1946 (7 U.S.C. 1636).

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

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

7 “(2) to comply with any other requirement of
8 this section.

9 “(g) PRODUCER EDUCATION GRANTS.—

10 “(1) IN GENERAL.—The Secretary, acting
11 through the Administrator of the Agricultural Mar-
12 keting Service and in coordination with the Director
13 of the National Institute of Food and Agriculture,
14 shall make competitive grants to eligible entities for
15 producer outreach and education efforts on best uses
16 of cattle market information, including information
17 made available through the livestock mandatory re-
18 porting program and the catalog or library estab-
19 lished under subsection (a).

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

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

1 “(B) can quickly and accurately publish
 2 and disseminate information and analysis of rel-
 3 evant Department of Agriculture data in a
 4 manner that benefits producer decision making;
 5 and

6 “(C) collaborate with trade associations or
 7 other organizations with a demonstrated ability
 8 to provide educational programs on markets
 9 and risk management.

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

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

17 **SEC. 3. DEFINITIONS.**

18 Section 221 of the Agricultural Marketing Act of
 19 1946 (7 U.S.C. 1635d) is amended—

20 (1) by amending paragraph (3) to read as fol-
 21 lows:

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

1 “(A) by any means other than through a
2 negotiated purchase, negotiated grid purchase,
3 or a forward contract; and

4 “(B) using a method for calculating price
5 under which the price is determined at a future
6 date.”;

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

10 (3) by inserting after paragraph (4) the fol-
11 lowing:

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

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

17 “(B) the cattle are scheduled for delivery
18 to the packer not more than 14 days after the
19 date on which the agreement for purchase is
20 made; and

21 “(C) the base price is subject to adjust-
22 ment by premiums and discounts after deliv-
23 ery.”; and

24 (4) by inserting after paragraph (8) the fol-
25 lowing:

Attest: CHERYL L. JOHNSON,
Clerk.