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H. R. 3408

IN THE SENATE OF THE UNITED STATES

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Received

OCTOBER 7 (legislative day, OCTOBER 6), 2005

Read twice and referred to the Committee on Agriculture, Nutrition, and
Forestry

AN ACT

To reauthorize the Livestock Mandatory Reporting Act of
1999 and to amend the swine reporting provisions of
that Act.

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. EXTENSION.**

2 (a) IN GENERAL.—Chapter 5 of subtitle B of the Ag-
3 ricultural Marketing Act of 1946 (7 U.S.C. 1636 et seq.)
4 is amended by adding at the end the following new section:

5 **“SEC. 260. TERMINATION OF AUTHORITY.**

6 “The authority provided by this subtitle terminates
7 on September 30, 2010.”.

8 (b) CONFORMING AMENDMENT AND EXTENSION.—

9 Section 942 of the Livestock Mandatory Reporting Act of
10 1999 (7 U.S.C. 1635 note; Public Law 106–78) is amend-
11 ed by striking “terminate on September 30, 2005” and
12 inserting “(other than section 911 of subtitle A and the
13 amendments made by that section) terminate on Sep-
14 tember 30, 2010”.

15 **SEC. 2. DEFINITIONS.**

16 (a) BASE MARKET HOGS.—Section 231(4) of the Ag-
17 ricultural Marketing Act of 1946 (7 U.S.C. 1635i(4)) is
18 amended to read as follows:

19 “(4) BASE MARKET HOG.—The term ‘base mar-
20 ket hog’ means a barrow or gilt for which no dis-
21 counts are subtracted from and no premiums are
22 added to the base price.”.

23 (b) BOARS.—Section 231(5) of such Act (7 U.S.C.
24 1635i(5)) is amended to read as follows:

25 “(5) BOAR.—The term ‘boar’ means a sexually-
26 intact male swine.”.

1 (c) PACKER OF SOWS AND BOARS.—Section 231(12)
2 of such Act (7 U.S.C. 1635i(12)) is amended by—

3 (1) striking subparagraph (B) and inserting the
4 following new subparagraph:

5 “(B) for any calendar year, the term in-
6 cludes only—

7 “(i) a swine processing plant that
8 slaughtered an average of at least 100,000
9 swine per year during the immediately pre-
10 ceding five calendar years; and

11 “(ii) a person that slaughtered an av-
12 erage of at least 200,000 sows, boars, or
13 any combination thereof, per year during
14 the immediately preceding five calendar
15 years; and”; and

16 (2) in subparagraph (C)—

17 (A) by inserting “or person” after “swine
18 processing plant”;

19 (B) by inserting “or person” after “plant
20 capacity of the processing plant”; and

21 (C) by inserting “or person” after “deter-
22 mining whether the processing plant”.

23 **SEC. 3. REPORTING; BARROWS AND GILTS.**

24 Section 232(c) of the Agricultural Marketing Act of
25 1946 (7 U.S.C. 1635j(c)) is amended to read as follows:

1 “(c) DAILY REPORTING; BARROWS AND GILTS.—

2 “(1) PRIOR DAY REPORT.—

3 “(A) IN GENERAL.—The corporate officers
4 or officially designated representatives of each
5 packer processing plant that processes barrows
6 or gilts shall report to the Secretary, for each
7 business day of the packer, such information as
8 the Secretary determines necessary and appro-
9 priate to—

10 “(i) comply with the publication re-
11 quirements of this section; and

12 “(ii) provide for the timely access to
13 the information by producers, packers, and
14 other market participants.

15 “(B) REPORTING DEADLINE AND PLANTS
16 REQUIRED TO REPORT.—A packer required to
17 report under subparagraph (A) shall—

18 “(i) not later than 7:00 a.m. Central
19 Time on each reporting day, report infor-
20 mation regarding all barrows and gilts pur-
21 chased or priced, and

22 “(ii) not later than 9:00 a.m. Central
23 Time on each reporting day, report infor-
24 mation regarding all barrows and gilts
25 slaughtered,

1 during the prior business day of the packer.

2 “(C) INFORMATION REQUIRED.—The in-
3 formation from the prior business day of a
4 packer required under this paragraph shall in-
5 clude—

6 “(i) all purchase data, including—

7 “(I) the total number of—

8 “(aa) barrows and gilts pur-
9 chased; and

10 “(bb) barrows and gilts
11 scheduled for delivery; and

12 “(II) the base price and purchase
13 data for slaughtered barrows and gilts
14 for which a price has been established;

15 “(ii) all slaughter data for the total
16 number of barrows and gilts slaughtered,
17 including—

18 “(I) information concerning the
19 net price, which shall be equal to the
20 total amount paid by a packer to a
21 producer (including all premiums, less
22 all discounts) per hundred pounds of
23 carcass weight of barrows and gilts
24 delivered at the plant—

1 “(aa) including any sum de-
2 ducted from the price per hun-
3 dredweight paid to a producer
4 that reflects the repayment of a
5 balance owed by the producer to
6 the packer or the accumulation of
7 a balance to later be repaid by
8 the packer to the producer; and

9 “(bb) excluding any sum
10 earlier paid to a producer that
11 must later be repaid to the pack-
12 er;

13 “(II) information concerning the
14 average net price, which shall be equal
15 to the quotient (stated per hundred
16 pounds of carcass weight of barrows
17 and gilts) obtained by dividing—

18 “(aa) the total amount paid
19 for the barrows and gilts slaugh-
20 tered at a packing plant during
21 the applicable reporting period,
22 including all premiums and dis-
23 counts, and including any sum
24 deducted from the price per hun-
25 dredweight paid to a producer

1 that reflects the repayment of a
2 balance owed by the producer to
3 the packer, or the accumulation
4 of a balance to later be repaid by
5 the packer to the producer, less
6 all discounts; by

7 “(bb) the total carcass
8 weight (in hundred pound incre-
9 ments) of the barrows and gilts;

10 “(III) information concerning the
11 lowest net price, which shall be equal
12 to the lowest net price paid for a sin-
13 gle lot or a group of barrows or gilts
14 slaughtered at a packing plant during
15 the applicable reporting period per
16 hundred pounds of carcass weight of
17 barrows and gilts;

18 “(IV) information concerning the
19 highest net price, which shall be equal
20 to the highest net price paid for a sin-
21 gle lot or group of barrows or gilts
22 slaughtered at a packing plant during
23 the applicable reporting period per
24 hundred pounds of carcass weight of
25 barrows and gilts;

1 “(V) the average carcass weight,
2 which shall be equal to the quotient
3 obtained by dividing—

4 “(aa) the total carcass
5 weight of the barrows and gilts
6 slaughtered at the packing plant
7 during the applicable reporting
8 period, by

9 “(bb) the number of the
10 barrows and gilts described in
11 item (aa),
12 adjusted for special slaughter situa-
13 tions (such as skinning or foot re-
14 moval), as the Secretary determines
15 necessary to render comparable car-
16 cass weights;

17 “(VI) the average sort loss,
18 which shall be equal to the average
19 discount (in dollars per hundred
20 pounds carcass weight) for barrows
21 and gilts slaughtered during the appli-
22 cable reporting period, resulting from
23 the fact that the barrows and gilts did
24 not fall within the individual packer’s

1 established carcass weight or lot vari-
2 ation range;

3 “(VII) the average backfat, which
4 shall be equal to the average of the
5 backfat thickness (in inches) meas-
6 ured between the third and fourth
7 from the last ribs, 7 centimeters from
8 the carcass split (or adjusted from the
9 individual packer’s measurement to
10 that reference point using an adjust-
11 ment made by the Secretary) of the
12 barrows and gilts slaughtered during
13 the applicable reporting period;

14 “(VIII) the average lean percent-
15 age, which shall be equal to the aver-
16 age percentage of the carcass weight
17 comprised of lean meat for the bar-
18 rows and gilts slaughtered during the
19 applicable reporting period, except
20 that when a packer is required to re-
21 port the average lean percentage
22 under this subclause, the packer shall
23 make available to the Secretary the
24 underlying data, applicable method-
25 ology and formulae, and supporting

1 materials used to determine the aver-
2 age lean percentage, which the Sec-
3 retary may convert to the carcass
4 measurements or lean percentage of
5 the barrows and gilts of the individual
6 packer to correlate to a common per-
7 cent lean measurement; and

8 “(IX) the total slaughter quan-
9 tity, which shall be equal to the total
10 number of barrows and gilts slaugh-
11 tered during the applicable reporting
12 period, including all types of pur-
13 chases and barrows and gilts that
14 qualify as packer-owned swine; and

15 “(iii) packer purchase commitments,
16 which shall be equal to the number of bar-
17 rows and gilts scheduled for delivery to a
18 packer for slaughter for each of the next
19 14 calendar days.

20 “(D) PUBLICATION.—

21 “(i) IN GENERAL.—The Secretary
22 shall publish the information obtained
23 under this paragraph in a prior day re-
24 port—

1 “(I) in the case of information
2 regarding barrows and gilts purchased
3 or priced, not later than 8:00 a.m.
4 Central Time, and

5 “(II) in the case of information
6 regarding barrows and gilts slaugh-
7 tered, not later than 10:00 a.m. Cen-
8 tral time,
9 on the reporting day on which the informa-
10 tion is received from the packer.

11 “(ii) PRICE DISTRIBUTIONS.—The in-
12 formation published by the Secretary
13 under clause (i) shall include a distribution
14 of net prices in the range between and in-
15 cluding the lowest net price and the high-
16 est net price reported. The publication
17 shall include a delineation of the number
18 of barrows and gilts at each reported price
19 level or, at the option of the Secretary, the
20 number of barrows and gilts within each of
21 a series of reasonable price bands within
22 the range of prices.

23 “(2) MORNING REPORT.—

24 “(A) IN GENERAL.—The corporate officers
25 or officially designated representatives of each

1 packer processing plant that processes barrows
2 or gilts shall report to the Secretary not later
3 than 10:00 a.m. Central Time each reporting
4 day—

5 “(i) the packer’s best estimate of the
6 total number of barrows and gilts, and
7 barrows and gilts that qualify as packer-
8 owned swine, expected to be purchased
9 throughout the reporting day through each
10 type of purchase;

11 “(ii) the total number of barrows and
12 gilts, and barrows and gilts that qualify as
13 packer-owned swine, purchased up to that
14 time of the reporting day through each
15 type of purchase;

16 “(iii) the base price paid for all base
17 market hogs purchased up to that time of
18 the reporting day through negotiated pur-
19 chases; and

20 “(iv) the base price paid for all base
21 market hogs purchased through each type
22 of purchase other than negotiated purchase
23 up to that time of the reporting day, un-
24 less such information is unavailable due to

1 pricing that is determined on a delayed
2 basis.

3 “(B) PUBLICATION.—The Secretary shall
4 publish the information obtained under this
5 paragraph in the morning report as soon as
6 practicable, but not later than 11:00 a.m. Cen-
7 tral Time, on each reporting day.

8 “(3) AFTERNOON REPORT.—

9 “(A) IN GENERAL.—The corporate officers
10 or officially designated representatives of each
11 packer processing plant that processes barrows
12 or gilts shall report to the Secretary not later
13 than 2:00 p.m. Central Time each reporting
14 day—

15 “(i) the packer’s best estimate of the
16 total number of barrows and gilts, and
17 barrows and gilts that qualify as packer-
18 owned swine, expected to be purchased
19 throughout the reporting day through each
20 type of purchase;

21 “(ii) the total number of barrows and
22 gilts, and barrows and gilts that qualify as
23 packer-owned swine, purchased up to that
24 time of the reporting day through each
25 type of purchase;

1 “(iii) the base price paid for all base
2 market hogs purchased up to that time of
3 the reporting day through negotiated pur-
4 chases; and

5 “(iv) the base price paid for all base
6 market hogs purchased up to that time of
7 the reporting day through each type of
8 purchase other than negotiated purchase,
9 unless such information is unavailable due
10 to pricing that is determined on a delayed
11 basis.

12 “(B) PUBLICATION.—The Secretary shall
13 publish the information obtained under this
14 paragraph in the afternoon report as soon as
15 practicable, but not later than 3:00 p.m. Cen-
16 tral Time, on each reporting day.”.

17 **SEC. 4. REPORTING; SOWS AND BOARS.**

18 Section 232 of the Agricultural Marketing Act of
19 1946 (7 U.S.C. 1635j) is amended by—

20 (1) redesignating subsection (d) as subsection
21 (e); and

22 (2) inserting after subsection (c) the following
23 new subsection:

24 “(d) DAILY REPORTING; SOWS AND BOARS.—

1 “(1) PRIOR DAY REPORT.—The corporate offi-
2 cers or officially designated representatives of each
3 packer of sows and boars shall report to the Sec-
4 retary, for each business day of the packer, such in-
5 formation reported by hog class as the Secretary de-
6 termines necessary and appropriate to—

7 “(A) comply with the publication require-
8 ments of this section; and

9 “(B) provide for the timely access to the
10 information by producers, packers, and other
11 market participants.

12 “(2) REPORTING.—Not later than 9:30 a.m.
13 Central Time, or such other time as the Secretary
14 considers appropriate, on each reporting day, a
15 packer required to report under paragraph (1) shall
16 report information regarding all sows and boars pur-
17 chased or priced during the prior business day of the
18 packer.

19 “(3) INFORMATION REQUIRED.—The informa-
20 tion from the prior business day of a packer re-
21 quired under this subsection shall include all pur-
22 chase data, including—

23 “(A) the total number of sows purchased
24 and the total number of boars purchased, each

1 divided into at least three reasonable and mean-
2 ingful weight classes specified by the Secretary;

3 “(B) the number of sows that qualify as
4 packer-owned swine;

5 “(C) the number of boars that qualify as
6 packer-owned swine;

7 “(D) the average price paid for all sows;

8 “(E) the average price paid for all boars;

9 “(F) the average price paid for sows in
10 each weight class specified by the Secretary
11 under subparagraph (A);

12 “(G) the average price paid for boars in
13 each weight class specified by the Secretary
14 under subparagraph (A);

15 “(H) the number of sows and the number
16 of boars for which prices are determined, by
17 each type of purchase;

18 “(I) the average prices for sows and the
19 average prices for boars for which prices are de-
20 termined, by each type of purchase; and

21 “(J) such other information as the Sec-
22 retary considers appropriate to carry out this
23 subsection.

24 “(4) PRICE CALCULATIONS WITHOUT PACKER-
25 OWNED SWINE.—A packer shall omit the prices of

1 sows and boars that qualify as packer-owned swine
2 from all average price calculations, price range cal-
3 culations, and reports required by this subsection.

4 “(5) REPORTING EXCEPTION: PUBLIC AUCTION
5 PURCHASES.—The information required to be re-
6 ported under this subsection shall not include pur-
7 chases of sows or boars made by agents of the re-
8 porting packer at a public auction at which the title
9 of the sows and boars is transferred directly from
10 the producer to such packer.

11 “(6) PUBLICATION.—The Secretary shall pub-
12 lish the information obtained under this paragraph
13 in a prior day report not later than 11:00 a.m. Cen-
14 tral Time on the reporting day on which the infor-
15 mation is received from the packer.

16 “(7) ELECTRONIC SUBMISSION OF INFORMA-
17 TION.—The Secretary of Agriculture shall provide
18 for the electronic submission of any information re-
19 quired to be reported under this subsection through

1 an Internet website or equivalent electronic means
2 maintained by the Department of Agriculture.”.

Passed the House of Representatives September 14,
2005.

Attest:

JEFF TRANDAHL,
Clerk.

By GERASIMOS C. VANS,
Deputy Clerk.