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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Cattle Contract Library Act of 2021”.

SEC. 2. CATTLE CONTRACT LIBRARY.

Chapter 2 of subtitle B of the Agricultural Marketing Act of 1946 (7 U.S.C. 1635d et seq.) is amended by adding at the end the following:
SEC. 224. CATTLE CONTRACT LIBRARY.

(a) IN GENERAL.—Not later than 90 days after the enactment of this Act, the Secretary shall establish and maintain a library or catalog of each type of contract offered by packers to producers for the purchase of all or part of the producers’ production of fed cattle (including cattle that are purchased or committed for delivery), including any schedules of premiums or discounts associated with the contract.

(b) INFORMATION COLLECTION.—

(1) IN GENERAL.—To maintain the library or catalog established under subsection (a), the Secretary shall obtain information from each packer on each type of contract of the packer by requiring a filing or other form of information submission from each packer.

(2) CONTRACTED CATTLE INFORMATION.—Information submitted to the Secretary by a packer under paragraph (1) shall include, with respect to each contract of a packer—

(A) the type of contract;

(B) the duration of the contract;

(C) all contract summary information;

(D) provisions in the contract that may affect the price of cattle covered by the contract including—
“(i) base price;

“(ii) schedules of premiums or discounts; and

“(iii) transportation arrangements;

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

“(F) in the case of a contract in which a specific number of cattle are not solely committed to the packer—

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

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

“(G) a description of the provisions in the contract that provide for expansion in the committed numbers of fed cattle to be delivered under the contract for the 6-month and 12-month periods following the date of the contract.

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

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

“(A) based on the information collected under subsection (b)(2)(E), the total number of fed cattle committed under contracts for delivery to packers within the 6-month and 12-month periods following the date of the report, organized by reporting region and type of contract;

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

“(C) based on the information collected under subsection (b)(2)(G), the total maximum number of fed cattle that may be delivered within the 6-month and 12-month periods following the date of the report, organized by reporting region and type of contract.

“(d) MAINTENANCE OF LIBRARY OR CATALOG.—Information in the library or catalog established under subsection (a) about types of contracts that are no longer offered or in use shall be labeled as inactive in the library or catalog.

“(e) CONFIDENTIALITY.—The publication of information under this section shall be subject to the confidentiality protections provided under section 251 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1636).

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

“(1) to provide to the Secretary accurate information required under this section; or

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

“(g) PRODUCER EDUCATION GRANTS.—
“(1) IN GENERAL.—The Secretary, acting through the Administrator of the Agricultural Marketing Service and in coordination with the Director of the National Institute of Food and Agriculture, shall make competitive grants to eligible entities for producer outreach and education efforts on best uses of cattle market information, including information made available through the livestock mandatory reporting program and the catalog or library established under subsection (a).

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

“(A) demonstrate an ability to work directly with cattle producers;

“(B) can quickly and accurately publish and disseminate information and analysis of relevant Department of Agriculture data in a manner that benefits producer decision making; and

“(C) collaborate with trade associations or other organizations with a demonstrated ability to provide educational programs on markets and risk-management.
“(3) ELIGIBLE ENTITY.—The term ‘eligible entity’ means an entity listed in subsection (b)(7) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 3157(b)(7)).

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

SEC. 3. DEFINITIONS.

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

(1) by amending paragraph (3) to read as follows:

“(3) FORMULA MARKETING ARRANGEMENT.—

The term ‘formula marketing arrangement’ means the advance commitment of cattle for slaughter—

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

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

(2) by redesignating paragraphs (5), (6), (7), and (8) as paragraphs (6), (7), (8), and (10), respectively;
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(3) by inserting after paragraph (4) the fol-
lowing:

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

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

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

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

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

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