

House Concurrent Resolution No. 5020

By Representatives Larkin, Faber, Alldritt, Barnes, Flora, Grant, Henry,
P. Long, McClure, McCreary, Merrick, Miller, Jim Morrison, O'Brien,
Osborne, Ostmeyer, E. Peterson, Rehorn and Thimesch

2-14

A CONCURRENT RESOLUTION memorializing the United States Congress, the Secretary of the United States Department of Agriculture, the President of the United States and each member of the Kansas Congressional delegation to reform the 3-60 rule with the purpose of providing the most market information possible.

WHEREAS, Enactment of the Federal Mandatory Price Reporting Act (MPRA) of 1999 represents one of the most important livestock market reforms since passage of the Packers and Stockyards Act of 1921; and

WHEREAS, Implementation of mandatory price reporting is necessary to restore transparency to livestock markets increasingly dominated by direct marketing and integrated production systems; and

WHEREAS, The 3-60 rule, whereby the United States Department of Agriculture would not publish prices in reporting regions where three or fewer packers report prices on any given day or where a single packer represents 60% or more of purchases reported in a given region seriously undermines both the intent and effectiveness of mandatory price reporting; and

WHEREAS, Implementation of the 3-60 rule will likely result in large gaps in market price information, and is contrary to providing a check on monopolistic opportunities of packers who dominate regional markets, a significant purpose behind enactment of the MPRA; and

WHEREAS, The United States Department of Agriculture's proposed 3-60 rule fails to disclose the extent of volume premiums paid by packers to large volume producers and such price discrimination threatens the survival of moderate-size independent producers; and

WHEREAS, Moderate-size independent producers need information on the extent of such premiums to strengthen their marketing position and policy makers need information on such premiums to determine the appropriate policy response: Now, therefore,

Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That we urge the United States Congress, the Secretary of the United States Department of Agriculture, the

1 President of the United States and each member of the Kansas Con-
2 gressional delegation to revisit and reform the 3-60 rule with the purpose
3 of providing the most market information possible, and to provide for
4 public reporting of volume premiums offered to large producers; and
5 *Be it further resolved:* That the Secretary of State be directed to send
6 an enrolled copy of this resolution to the Speaker of the United States
7 House of Representatives, the President of the United States Senate, the
8 Secretary of the United States Department of Agriculture, the President
9 of the United States and each member of the Kansas Congressional
10 delegation.

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