

July 9, 2010

The Honorable Blanche Lincoln
Chairman
Committee on Agriculture
U.S. Senate
328-A Russell Senate Office Building
Washington, D.C. 20515

The Honorable Saxby Chambliss
Ranking Minority Member
Committee on Agriculture
U.S. Senate
328-A Russell Senate Office Building
Washington, D.C. 20515

Dear Chairman Lincoln and Ranking Member Chambliss:

We, the undersigned organizations, are writing to request that the Senate Agriculture Committee work with relevant stakeholders in the livestock industry to reauthorize for a period of five (5) years the Livestock Mandatory Price Reporting provisions contained in the 2006 Livestock Mandatory Reauthorization Act (P.L. 109-296).

The original 1999 Livestock Mandatory Price Reporting Act was a culmination of many hours of negotiations among industry participants and required packers to report, among other things, livestock purchase prices to the USDA's Agricultural Marketing Service. Livestock producers and processors continue to need a transparent, accurate and timely market price reporting system to make informed business decisions. Mandatory price reporting makes markets more transparent and offers new market information with regard to pricing, contracting for purchase and supply and demand conditions for cattle, hogs and sheep. During the 109th Congress, the Mandatory Price Reporting provisions were reauthorized until September 30, 2010.

The U.S. pork industry supports the inclusion in this reauthorization of two new pork industry-specific provisions. We believe these consensus recommendations will increase and improve the transparency of the Livestock Mandatory Price Reporting system. We recommend that the following consensus provisions be included:

1. Reporting of wholesale pork cuts. Require USDA to enter a negotiated rulemaking process to develop this system.
2. Reporting on a weekly basis of pork exports. These exports should be added to the list of commodities that are required to be reported to the Secretary of Agriculture. Information reported should include any contract for export sales entered into during the reporting period.

These proposed provisions are part of a carefully balanced consensus legislative package reached by interested stakeholders over a long period of negotiation and discussion representing all segments of the industry. We support the consensus legislative package, including the new pork reporting provisions, with the collective goal that mandatory price reporting will be enacted before September 30, 2010.

We recognize that the Committee has a full slate of legislative business ahead, and we urge expeditious action to reauthorize the Act for a period of five years with these industry consensus recommendations. We look forward to working with the Senate Agriculture Committee on this important issue to America's livestock industry.

Sincerely,

American Farm Bureau Federation
American Meat Institute
American Sheep Industry Association
National Cattlemen's Beef Association
National Farmers Union
National Pork Producers Council
National Meat Association
United States Cattleman's Association