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April 16, 2007 Action Alert #3

Support a Competition Title in the 2007 Farm Bill!

The Senate and House will each hold hearings this week on competition provisions in the next farm bill. This presents an important opportunity to contact your Senators and ask them to co-sponsor the Competitive and Fair Agricultural Markets Act (S. 622) and Prohibition on Packer Ownership of Livestock Act (S. 305), two of several key pieces of legislation that should form the basis for a comprehensive Competition Title in the Farm Bill.

The Competitive and Fair Agricultural Markets Act (S. 622) was introduced by Senators Harkin (D-IA), Baucus (D-MT), Enzi (R-WY), Thomas (R-WY), Dorgan (D-ND), McCaskill (D-MO), and Feingold (D-WI) earlier this year and includes standards for production and marketing contract fairness and measures to improve enforcement and access to legal remedies regarding the prohibitions against unfair practices and pricing in the livestock and poultry sectors.

The Prohibition on Packer Ownership of Livestock Act (S.305) introduced by Senators Grassley (R-IA), Harkin (D-IA), Enzi (R-WY), Dorgan (D-ND), and McCaskill (D-MO) places a ban on direct ownership and control of livestock by major large-scale meat packers.

While Senators Brownback and Roberts are not signed on to the bills, this is an opportunity for them to hear from constituents that we want to see them support a competition title in the farm bill that will protect producers.

PLEASE CALL OR FAX YOUR SENATORS TODAY.

- Senator Sam Brownback - Phone: (202) 224-6521 Fax: (202) 228-1265
- Senator Pat Roberts - Phone: (202) 224-4774 Fax: (202) 224-3514

Ask the Senator's receptionist for the legislative aid who covers agriculture. If the agriculture aid is unavailable, leave a message with your name, phone number and the message below on the aid's voice mail or with the receptionist. If you

prefer to write, fax a brief letter with the points below, along with your name and address and contact information.

In your call or faxed letter the message is simple.

"I am a constituent and I am calling to ask Senators Sam Brownback or Pat Roberts to co-sponsor the Competitive and Fair Agricultural Markets Act of 2007 (S. 622) and the Prohibition on Packer-Owned Livestock (S. 305). These bills are part of a larger package of legislation forming the basis of a Competition Title in the 2007 Farm Bill. This title is critical to ensuring that agricultural markets be fair with competition among agricultural product packers, processors, and other buyers, as well as adequate market access for farmers and ranchers. This legislation will also give farmers and ranchers more control over their operations and make a decent living. "

Background:

A Competition Title in the 2007 Farm Bill would help address the negative impacts that market concentration of corporate agribusinesses has had on farmers, ranchers, the environment, and consumers. The unchecked bargaining and market power of livestock and poultry agribusinesses has allowed them to force down producer prices and draft unfair and manipulative agricultural contracts with individual farmers and ranchers. The Competitive and Fair Agricultural Markets Act of 2007 (S. 622) and Prohibition on Packer-Owned Livestock (S. 305) should form the basis for a Competition Title in the 2007 Farm Bill to help restore fairness, efficiency, and transparency to the agricultural product marketplace.

An amended Competitive and Fair Agricultural Markets Act (S. 622) was introduced by Senators Harkin (D-IA), Baucus (D-MT), Enzi (R-WY), Thomas (R-WY), Dorgan (D-ND), McCaskill (D-MO), and Feingold (D-WI) and includes standards for contract fairness and requires companies to negotiate in good faith with bargaining associations and cooperatives. It also expands a prohibition on confidentiality clauses so that farmers and ranchers can share with each other details and terms of their contracts and requires that contracts with packers and processors include clear disclosure of producer risks.

The Prohibition on Packer-Owned Livestock (S.305) introduced by Senators Grassley (R-IA), Harkin (D-IA), Enzi (R-WY), and Dorgan (D-ND) places a ban on direct ownership and control of livestock by major large-scale meat packers. Packer-owned livestock has been proven to artificially lower farm gate prices to farmers and ranchers, harming independent producers in the process.

Thank you for your help!

Support from our Senators through co-sponsorship is a critical step in securing a Competition Title in the 2007 Farm Bill. The more support the bill has prior to the time the farm bill is voted on, the greater its chances of success.

For Further Information, or to sign up for KRC Action Alerts, contact:

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