



2021 South Dakota Legislature

House Concurrent Resolution 6006

Introduced by: **Representative May**

1 **A CONCURRENT RESOLUTION, Urging efforts to increase competition and**
2 **transparency among livestock packers.**

3 WHEREAS, true price discovery in the livestock industry is achievable only through
4 competitive bidding and cash trades; and

5 WHEREAS, market consolidation in the livestock industry has caused large packers to
6 reduce their reliance on spot transactions for the purchase of live cattle; and

7 WHEREAS, the impact on slaughtering operations following the fire at the Tyson beef
8 packing plant in Holcomb, Kansas, together with the impact of the COVID-19 pandemic on
9 the industry in general, have highlighted the need for additional price transparency measures,
10 in order to ensure that producers receive a fair price for their cattle; and

11 WHEREAS, cattle prices in South Dakota are significantly affected by the average cash
12 trade nationwide; and

13 WHEREAS, South Dakota producers have, in recent years, witnessed the largest downturn
14 in the cattle market since the 1930s; and

15 WHEREAS, there is a critical need to restore price discovery, not only to ensure a fair and
16 stable market for cattle producers, but to ensure the short-term and long-term economic
17 viability of the United States beef supply system;

18 NOW, THEREFORE, BE IT RESOLVED, by the House of Representatives of the Ninety-Sixth
19 Legislature of the State of South Dakota, the Senate concurring therein, that the Legislature
20 urges the Congress of the United States to amend the Agricultural Marketing Act of 1946, 7
21 U.S.C. § 1621, et seq., with a view to fostering efficient livestock markets and to increasing
22 competition and transparency among packers who purchase livestock, by requiring that at

1 least fifty percent of each packer's weekly value of beef for slaughter be purchased on the
2 open market; and

3 BE IT FURTHER RESOLVED, that the secretary of the Senate transmit copies of this
4 resolution to the President of the United States, the speaker and clerk of the United States
5 House of Representatives, the president pro tempore and secretary of the United States
6 Senate, and to the members of the South Dakota Congressional delegation.