

BEEF RESEARCH AND INFORMATION ACT

DECEMBER 10, 1975.—Ordered to be printed

Mr. POAGE, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 7656]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7656) to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 18, and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 6, 7, 8, 9, 11, 12, 13, 15, 16, and 17, and agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

On page 2, line 14, of the Senate engrossed amendments, strike out "never" and insert *not*

And the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

Strike out the matter proposed to be stricken by the Senate amendment, and on page 15, line 15, of the House engrossed bill, after the period insert the following:

In any such referendum under this Act, a producer shall be permitted to vote in person or by mail, as determined by the Secretary. Such producer shall submit his vote in a separate, sealed envelope provided by

for during the representative period, to be used in determining the eligibility of the producer to vote in the referendum. Such vote and form shall be submitted to the locally designated official appointed by the Secretary to conduct the referendum. During the 10-day period (excluding Saturdays, Sundays, and holidays) beginning on the day immediately following the last day on which votes may be submitted, such local referendum agent shall afford any person (1) an opportunity to review, in the local offices of the Department, the eligibility criteria submitted by any producer who has voted in the referendum, and (2) an opportunity to submit to the local referendum agent a written statement challenging the eligibility of any producer who has voted in the referendum. Before counting the vote of any producer, the agent shall review the producer's eligibility to vote and any challenge thereto. If the local referendum agent determines that such producer is ineligible to vote, he shall notify such producer by registered or certified mail that his ballot has been marked "challenged". Ballots so cast shall be segregated and no such ballot shall be counted until the challenge has been removed. Such person whose ballot has been challenged may appeal to the Secretary within three days after he has been so notified. The Secretary shall decide within seven days after the appeal is perfected whether the producer was eligible to vote. If the appeal is denied, the Secretary shall notify the producer by registered or certified mail and the producer may within three days of the receipt of such notice appeal to the United States District Court in the district wherein he resides. The decision of such court shall be final and not appealable. If the Secretary decides that the producer was qualified to vote, the word "challenged" shall be stricken from the producer's ballot and the ballot shall be treated as if it had not been challenged. The Secretary shall insure that information with regard to voting and the challenging of ballots is generally publicized in the community. Prior to the holding of the referendum, sureties shall have posted a bond or other security, acceptable to the Secretary, in an amount which the Secretary shall determine to be sufficient to pay any expenses incurred for the conduct of the referendum. For the purpose of this section, the term "expenses incurred for the conduct of the referendum" shall include all costs incurred by the Government in connection therewith, except for salaries of Government employees.

And the Senate agree to the same.

W. R. POAGE,
BOB BERGLAND,
JERRY LITTON,
TOM HARKIN,
JACK HIGHTOWER,
WILLIAM C. WAMPLER,
KEITH G. SEBELIUS,
CHARLES THONE,

Managers on the Part of the House.

HERMAN E. TALMADGE,
GEORGE MCGOVERN,
DICK CLARK,
PATRICK LEAHY,
ROBERT DOLE,
MILTON R. YOUNG,
HENRY BELLMON,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7656) to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

Except for clarifying, clerical, and necessary conforming changes, the differences between the two Houses and the adjustments made in the committee of conference are noted below. (Amendments numbered 5 and 19 are not dealt with below because they deal with clarifying, clerical, and necessary conforming changes.)

AMENDMENT NO. 1.—FALSE OR MISLEADING CLAIMS OR STATEMENTS

The Senate amendment provided that no advertising, consumer education, or sales promotion programs established under the Act shall make use of (a) false or misleading claims in behalf of cattle, beef, or beef products, or (b) false or misleading statements with respect to quality, value, or use of any competing product.

The House bill did not contain a comparable provision.

The House receded.

AMENDMENTS NO. 2 AND 3.—EXECUTIVE COMMITTEE OF THE BEEF BOARD

The House bill authorized the Beef Board to appoint an executive committee for the purposes of employing a staff and conducting routine business within the policies determined by the Beef Board.

The Senate amendments required the appointment of such an executive committee and provided that the members of the committee must be broadly representative of the industry.

The House receded.

AMENDMENT NO. 4.—NOMINATIONS TO THE BEEF BOARD BY GENERAL FARM ORGANIZATIONS

The Senate amendment authorized the Secretary to make appointments to the Beef Board from nominations submitted by general farm organizations.

The House bill did not contain a comparable provision. However, the House bill provided specific guidelines for the Secretary to follow in certifying organizations that may nominate members for the Beef Board. The report of the House Committee on Agriculture states that

"the Committee intends that general farm organizations be considered for certification as well as cattlemen's organizations".

The House receded.

AMENDMENTS No. 6, 7, AND 8.—SUBMISSION OF ANNUAL BUDGETS OF THE BEEF BOARD TO THE HOUSE AND SENATE AGRICULTURE COMMITTEES

The Senate amendment deleted the requirement in the House bill that the annual budgets of the Beef Board be approved by the House and Senate Agriculture Committees. However, under the Senate amendments, copies of the budgets are to be submitted to such Committees as provided in the House bill.

The House receded.

AMENDMENT No. 9.—EXEMPTION OF CATTLE SLAUGHTERED FOR A PRODUCER'S HOME CONSUMPTION

The Senate amendment provided that cattle slaughtered for his own home consumption by a producer who has been the sole owner of such cattle shall not be subject to assessment.

The House bill did not contain a comparable provision.

The House receded.

AMENDMENT No. 10.—LIMITATION ON RATE OF ASSESSMENT

The Senate amendment provided that the aggregate rate of assessment shall "never" exceed one-half of 1 percent.

The House bill did not contain a comparable provision.

The committee of conference agreed to the Senate amendment but changed the word "never" to "not".

AMENDMENTS No. 11, 12, 13, AND 14.—CONDUCT OF REFERENDUM

The House bill provided for approval of the order by a referendum among "registered" cattle producers. Under the House bill, the Secretary is to register the producers not less than 10 days prior to the date of the referendum. The order to be effective must be approved by at least two-thirds of the producers voting in the referendum, and at least 50 percent of the registered producers must vote in such referendum.

The Senate amendments deleted the registration requirement of the House bill and otherwise modified the referendum provision. Under the Senate amendments, the order would not be effective unless it is approved by not less than two-thirds of the producers voting in the referendum, or by a majority of producers voting in the referendum if such majority owned not less than two-thirds of the cattle owned by producers voting in the referendum. Also, the Senate amendments deleted—

(a) the provision in the House bill requiring that eligible voter lists and ballots cast in the referendum be retained for a period of not less than 12 months after they are cast for audit

and recount in the event the results of the referendum are challenged; and

(b) the provision in the House bill requiring that sureties post a bond or security prior to the holding of the referendum sufficient to pay the costs—such as printing ballots and preparation and mailing procedures of the referendum—should the order fail to gain the approval of the producers.

The committee of conference agreed to the Senate amendments with certain modifications. Under the language agreed to by the committee of conference, producers are required to submit evidence of their eligibility to vote at the time of voting and may vote either in person or by mail as determined by the Secretary. A detailed procedure is provided under which any person may challenge the eligibility of any person who has voted in the referendum. Persons whose ballots are challenged may appeal to the Secretary and, in the event of an adverse ruling, obtain judicial review in the United States district court. The Secretary is to insure that information with regard to voting and the challenging of ballots is generally publicized in the community.

In addition, under the language agreed to by the committee of conference, the Secretary is to take such precautions as he deems necessary to assure that the Government is reimbursed for its out-of-pocket expenses incident to the conduct of the referendum whether or not the order is approved. Such out-of-pocket expenses would include all costs incurred by the Government (except the salaries of Federal employees). The items of costs could include the following:

COST OF HEARINGS

1. Travel for Federal employees
2. Per diem for Federal employees
3. Transcript
4. Printing of record
5. Facilities

COST OF REFERENDUM

6. Preparation of ballots
7. Printing of ballots

AMENDMENTS No. 15, 16, AND 17.—PENALTY FOR VIOLATING ANY PROVISION OF THE ORDER OR FAILING TO COLLECT OR REMIT ANY ASSESSMENT

The House bill provided that any person violating any provision of an order or failing or refusing to collect or remit any assessment is liable for payment of a civil penalty of not less than \$1,000 or more than \$10,000 recoverable in a civil suit brought by the United States.

The Senate amendments retained the civil penalty provision but modified it to provide that—

(a) no penalty is applicable unless the violation of the order or the failure or refusal to collect or remit any assessment is "willful"; and

(b) the maximum penalty which may be collected shall not exceed \$1,000.

The House receded. The penalty would, of course, be in addition to any assessment payable by the producer or slaughterer!

AMENDMENT No. 18.—CONSUMER REPRESENTATION ON RESEARCH AND PROMOTION BOARDS

The Senate bill added a new section to the House bill requiring that at least 25 percent of the members of the Beef Board, the Egg Board, the Cotton Board, the Potato Board, and the Wool Councils be persons appointed by the Secretary from nominations submitted by the membership of bona fide consumer organizations. The organizations must be knowledgeable and experienced in issues relating to food and nutrition policy, specially qualified to represent the interests of consumers, and have no interest directly or indirectly (a) in any food industry corporation or other organization or (b) in any person or entity engaged in the commercial production of the product or commodity promoted by the particular board or in sale, promotion, or distribution of such product or commodity.

The House bill did not contain a comparable provision.

The committee of conference agreed to delete the Senate amendment. However, the conferees intend that the Beef Board solicit consumer input—ideas, suggestions, and recommendations—on problems that need attention and projects that deserve priority. Accordingly, the conferees recommend that the Secretary appoint five consumer advisors to the Beef Board. Such advisors shall be persons determined by the Secretary to be knowledgeable in nutrition and food. It is expected that the Beef Board shall reimburse the consumer advisors for the reasonable expenses they incur in performing their duties as advisors.

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