

HOUSE RESEARCH

Bill Summary

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Subject: Task force on agricultural producer contracts

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Overview

House File 479 establishes an advisory task force to review issues related to concerns about livestock, grain commodity, and specialty crops produced under contract with a processor. The Department of Agriculture serves as fiscal agent for the task force and provides staff support and technical services.

- 1 Agricultural producer contracts.** States the legislative finding that more and more livestock and crops are produced under contract to processors. It is therefore important for the agricultural economy to determine how this change from traditional production is affecting farmers - especially those who choose not to produce under contract.

Membership. The task force consists of 20 members. Chairs of the Senate and House agriculture committees each appoint 6 members, the governor appoints 4 members, the Farm Bureau Federation appoints 1 member, the Farmers Union appoints 1 member, the Cattlemen's Association appoints 1 member, and the Pork Producers Association appoints 1 member.

Charge. The task force is instructed to examine current and projected impacts on markets that result from the increasing use of contracts.

Resources; staff support. The department of agriculture is told to provide resources and staff support for activities of the task force, and to act as fiscal agent for the task force if contracts with non-state vendors are used.

Hearings. The task force must hold at least 4 public hearings, three of them in greater Minnesota.

Report. The task force is to report its findings to the legislature by March 15, 2000.

- 2 Appropriation.** \$25,000 is appropriated from the general fund to the commissioner of agriculture to provide staff support and fiscal agent services for the task force.