Vilsack pressured on GIPSA Rule
By: Jeralyn Stephens, NCBA communications intern

U.S. Department of Agriculture (USDA) Secretary Tom Vilsack was questioned at a House Agriculture Appropriations Subcommittee hearing held on March 1, 2011. The hearing focused on how the proposed budget cuts will affect the rest of the fiscal year for USDA programs. An issue of particular interest was USDA's Grain Inspection, Packers and Stockyards Administration's (GIPSA) proposed rule on livestock marketing.

U.S. Representative Tom Latham (R-IA) expressed concern during the hearing that the proposed rule will harshly impact producers. Latham questioned whether an economic analysis was currently being conducted and what the current condition of the proposed rule was. During summer 2010, the USDA established a 60-day public comment period regarding the rule. Vilsack informed the committee that more than 60,000 comments were received.

"They (the comments) are being categorized and classified and put into categories. When that process is completed (USDA Chief Economist) Joe Glauber will use that as a basis of putting together an appropriate team and an analysis will be done," Vilsack said during the March 1 hearing. "We have heard a lot of concerns about the current system and the fairness of it. What we are really trying to do is establish a fair system and a transparent system."

The GIPSA rule also suggests there will be major changes in the way cattlemen and women would be able to market their cattle, which some fear could ultimately hurt smaller scale cattle producers. "I am more concerned about the little guy out there because I think he is going to be put at a real disadvantage in the long term," Latham said.

Vilsack's comments revealed that little progress has occurred in researching the economical impact the GIPSA rule will have on cattle producers. Latham stated that sometimes dramatic, unintended consequences come from rules like these. Solid economical analysis and science-based research must be conducted before any type of implementation occurs.

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