



NEWS from U.S. Senator Bob Dole

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FOR IMMEDIATE RELEASE

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DOLE, BELLMON HAVE INTRODUCED GRAIN INSPECTION BILL

WASHINGTON, D.C.--Senators Bob Dole and Henry Bellmon yesterday introduced a bill to provide thorough reform of the grain inspection system. Dole said their bill "will strengthen the entire system, eliminate the problems, and also contains provisions for growth of the system in proportion with expanding exports and increased needs of particular commodities. It will accomplish these needed reforms without an overkill approach," he added.

Dole said strengthening and reform of the grain inspection system must be accomplished in a proper manner. "Sweeping reform such as is outlined in S.3055 would go too far. Our bill would reform and improve the system without total disruption. It would assure the proper inspection and weighing of grain in a much improved manner with adequate supervision and considerably increased penalties and enforcement for violators. And it would allow the proper policing of the problem areas and commodities we have exposed in our investigation, while allowing for protection against similar corruption in other areas or with other grains."

The Kansas Senator summarized the major weaknesses exposed by GAO and Agriculture Committee investigations as: 1) The greatly increased volume of exported grain, largely corn; 2) weak or little supervision; 3) weak enforcement and inadequate penalties. Continuing, Dole said the bill "addresses these problems and tightens up the grain inspection system for all commodities throughout the nation to eliminate the abuses both now and in the future regardless of any further increase in export sales we may develop."

Calling the bill responsible and responsive legislation, Dole said it "provides for greatly increased penalties, increased federal supervision, federal inspection at all ports that do not have demonstrated and proven abilities, contracted state and private inspection under close regulation and auditing, and a prohibition against any conflict of interest by grain companies operating their own inspection services."

SUMMARY OF GRAIN INSPECTION LEGISLATION -- S.3141

SPONSORED BY SENATORS BOB DOLE AND HENRY BELLMON

INSPECTION

All grain exported from the United States, including grain not shipped pursuant to a sale, must be inspected.

At export port locations, all grain inspection shall be performed either by Department personnel or State inspectors (at ports where there is already a demonstrably competent State inspection system in place).

At all other locations, the Secretary is authorized to: 1) enter into a contract with a State or a person for the performance of inspection; or 2) have Department personnel perform inspection.

Prior to any State or private contractor being given authority to perform inspection, the Secretary must determine that the State or private contractor meets certain criteria designed to assure honest and skillful performance of duties. Also, the inspection contractors will be subject to periodic audits by the Department, to assure they are providing honest and competent service.

The Grain Division will still have the responsibility to provide supervision and appeal inspection at all locations.

Rotation of inspection personnel at all locations will be required to the extent feasible.

WEIGHING

The Secretary will be authorized to promulgate regulations to ensure the weighing of grain is adequately supervised and that high standards of integrity are maintained.

Continuous supervision of all weighing of grain at export ports will be required. The supervision will be performed by Department personnel or State employees (at ports where there is State inspection.)

FEES

The system for original (first-time) inspection will be self-supporting in that the Secretary is authorized to charge reasonable fees for this service. Contractors will be allowed to collect the fees for the Secretary. Fees may be different for each contract, based on local requirements. Costs of appeal inspections will be borne by the requesting entity. Supervision of inspectors and contractors will continue to be funded by federally appropriated funds.

CIVIL PENALTIES

The Secretary will be authorized to refuse inspection to anyone who violates the Act or to assess a civil penalty not to exceed \$100,000.

CRIMINAL PENALTIES.

The penalties for violations will be increased. Willful or intentional criminal acts will be treated as felonies.

REPORTING REQUIREMENTS

The Secretary must report serious complaints of bad or short-weighted grain made by foreign buyers to the Congress. He must also report to the Congress, on a yearly basis, concerning the effectiveness of the official grain inspection system.

EFFECTIVE DATE

The Secretary is given 6 months from the date of enactment to effect transition at export port locations.

He is given two years at other locations.