



# NEWS from U.S. Senator Bob Dole

(R.-Kans.)

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## SENATE APPROVES PACKER BONDING BILL

WASHINGTON, D.C.--The Senate today took final action on a bill that will provide prompt payment, and assurance of payment, to livestock producers. The prompt payment provisions of the bill, which were included by the Senate Agriculture Committee at the recommendation of Senator Bob Dole, are patterned after already existing Kansas law.

Dole, a cosponsor of the original bill, called it "a step toward restoring actual cash sales to livestock transactions."

The bill contains the following three major provisions:

- 1) Packers would be required to obtain a bond amounting to approximately the value of animals they purchase in an average two-day period.
- 2) Packers would be required to deliver a check to the seller at the point of transfer of possession of the livestock or wire funds between banks by the close of business the following day. If the seller or his agent is not present to receive the check, the packer may mail the check to the seller.
- 3) In the event of bankruptcy, a temporary trust would be established from the inventories and receivables of a packer, amounting to what is owed the unpaid sellers of livestock.

While the provisions of this Senate-passed bill differ somewhat from an earlier House-passed version, Dole said he is "optimistic that the House will accept the Senate version, and avoid the need for a Conference Committee to iron out differences."