

United States Senate

WASHINGTON, DC 20510

January 20, 2006

The Honorable Saxby Chambliss, Chairman
Committee on Agriculture, Nutrition and Forestry
United States Senate
Washington, D.C. 20510

Dear Chairman Chambliss:

On January 18, the Department of Agriculture's Inspector General issued a report finding serious failure by the Grain Inspection, Packers and Stockyards Administration (GIPSA) to enforce the Packers and Stockyards Act. The report describes widespread inaction, actions by management to block and prevent employees from conducting investigations into complaints of anti-competitive market behavior and efforts to cover up the lack of enforcement by inflating the reported number of investigations conducted.

In general, the problems at GIPSA described in the Inspector General's report are not new. In 1997, the Inspector General advocated changes to remedy shortcomings in GIPSA's monitoring and investigation of anti-competitive behavior. In 2000, the Government Accountability Office (GAO) also found problems in GIPSA's investigation and enforcement operations and recommended steps to improve them. Despite promises from high-level officials in the Department, and in GIPSA, to investigate anti-competitive behavior and to implement both the Inspector General's and GAO's recommendations, these problems were ignored and continue to this day.

We believe that the persistent failure by USDA to enforce the Packers and Stockyards Act is a very serious matter and that it deserves careful examination and a hearing by the Committee on Agriculture, Nutrition and Forestry. We hope that the Committee will hold such a hearing as soon as it can be arranged.

We are grateful for your attention to these important issues.

Sincerely yours,



Tom Harkin



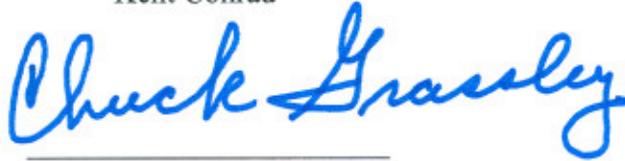
Craig Thomas



Kent Conrad



Ken Salazar



Charles Grassley



Michael Enzi



Conrad Burns



Tim Johnson



Max Baucus



Patrick Leahy



John Thune