

October 22, 1976

Office of the White House Press Secretary

NOTICE TO THE PRESS

The President has signed H.R. 12572 - United States Grain Standards Act of 1976. This bill amends the United States Grain Standards Act to improve the present grain inspection and weighing system, by establishing a new Federal Grain Inspection Service within the Department of Agriculture and by requiring direct Federal involvement in original inspection operations, particularly with respect to export sales.

The bill will establish a new agency, the Federal Grain Inspection Service (FGIS), within the Department of Agriculture to administer the grain inspection program. The Administrator of the agency will be a Presidential appointee, confirmed by the Senate. The Administrator will be permitted to hire grain inspectors without regard to the competitive hiring provisions of Title V United States Code, if such inspectors were licensed by the Department on or before the date of enactment.

Also, the bill will:

- establish a joint Federal/State system for original inspection of grain shipments at export locations.
- provide for State/private inspection at inland locations, with reserve authority for Federal intervention as necessary.
- provide for 100 percent Federal supervision of grain weighing at export locations.
- criminal violations of the provisions of the Act will be classified as felonies and carry a maximum penalty of 5 years in prison and/or a fine of \$20,000.
- establish new conflicts of interest standards to apply to all inspection agencies.
- increase congressional oversight of the grain inspection system.