

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIRST LEGISLATURE

Legislative Document

No. 354

S. P. 127

In Senate, January 16, 1963

Referred to Committee on Agriculture. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary

Presented by Senator Edmunds of Aroostook.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-THREE

MEMORIAL

To The Honorable Senate and House of Representatives of the
United States of America in Congress Assembled

JOINT RESOLUTION PROPOSING ABOLITION OF FUTURES TRADING OF POTATOES ON THE NEW YORK MERCANTILE EXCHANGE BY THE CONGRESS OF THE UNITED STATES OF AMERICA.

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the One Hundred First Legislative Session assembled, most respectfully present and petition your Honorable Body as follows:

Whereas, the Constitution of the United States provides that the Congress may regulate commerce among the several states; and

Whereas, potatoes are now traded in futures contracts on the New York Mercantile Exchange, 6 Harrison Street, New York City, N. Y.; and

Whereas, the price at which futures contracts are bought and sold has a direct and immediate effect on cash prices received by producers for potatoes in Maine and all other areas producing potatoes for market; and

Whereas, futures prices reflect the effects of manipulation and unlimited speculation to the detriment of producers of potatoes; and

Whereas, futures trading of potatoes obstructs all attempts of Maine potato producers to market their product in an orderly fashion; and

Whereas, futures trading of potatoes encourages over-production in Maine and all other producing areas with resulting disastrously low prices for the producer; and

Whereas, experience has proven that futures trading can be carried on without detrimental and depressing effect on price only in the case of those commodities which can be stored for extensive periods of time either within the areas of production or the areas of marketing and distribution; and

Whereas, Irish potatoes are a perishable commodity that do not lend themselves to extended periods of storage, especially following preparation for market; and

Whereas, Irish potatoes historically are one of the most volatile commodities in terms of price range and in degree of sensitivity to myriad market factors, including total volume produced, anticipated production, available supply on track and in the market places, as well as many others; and

Whereas, many areas of production have vehemently registered their opposition to the continued trading of Irish potato futures, either with or without the supervision of the Commodity Exchange Authority of the U. D. S. A., and producers in Maine, by mail ballot, have voted overwhelmingly in favor of abolishing futures trading in Maine potatoes; and

Whereas, the Congress of the United States has already established a precedent for the action to be proposed by this resolution in the instance of another perishable commodity, namely onions, leaving potatoes as the only perishable commodity now being traded on the futures market; now, therefore, be it

Resolved: That we, your Memorialists, recommend that the Congress enact legislation abolishing futures trading in Irish potatoes upon the New York Mercantile Exchange or upon any Commodity Exchange; and be it further

Resolved: That a copy of this Memorial, duly authenticated by the Secretary of State, be immediately transmitted by the Secretary of State, by mail, to the Senate and House of Representatives in Congress, to the members of the said Senate and House of Representatives from this State.