

H.R.2646

Farm Security and Rural Investment Act of 2002 (Enrolled as Agreed to or Passed by Both House and Senate)

Public Law 107-171 (May 13, 2002)

SEC. 10816. COUNTRY OF ORIGIN LABELING.

The Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

Subtitle D--Country of Origin Labeling

SEC. 281. DEFINITIONS.

In this subtitle:

(1) BEEF- The term 'beef' means meat produced from cattle (including veal).

(2) COVERED COMMODITY-

(A) IN GENERAL- The term 'covered commodity' means--

(i) muscle cuts of beef, lamb, and pork;

(ii) ground beef, ground lamb, and ground pork;

(iii) farm-raised fish;

(iv) wild fish;

(v) a perishable agricultural commodity; and

(vi) peanuts.

(B) EXCLUSIONS- The term 'covered commodity' does not include an item described in subparagraph (A) if the item is an ingredient in a processed food item.

(3) FARM-RAISED FISH- The term 'farm-raised fish' includes--

(A) farm-raised shellfish; and

(B) fillets, steaks, nuggets, and any other flesh from a farm-raised fish or shellfish.

`(4) FOOD SERVICE ESTABLISHMENT- The term `food service establishment' means a restaurant, cafeteria, lunch room, food stand, saloon, tavern, bar, lounge, or other similar facility operated as an enterprise engaged in the business of selling food to the public.

`(5) LAMB- The term `lamb' means meat, other than mutton, produced from sheep.

`(6) PERISHABLE AGRICULTURAL COMMODITY;
RETAILER- The terms `perishable agricultural commodity' and `retailer' have the meanings given the terms in section 1(b) of the Perishable Agricultural Commodities Act of 1930 (7 U.S.C. 499a(b)).

`(7) PORK- The term `pork' means meat produced from hogs.

`(8) SECRETARY- The term `Secretary' means the Secretary of Agriculture, acting through the Agricultural Marketing Service.

`(9) WILD FISH-

`(A) IN GENERAL- The term `wild fish' means naturally-born or hatchery-raised fish and shellfish harvested in the wild.

`(B) INCLUSIONS- The term `wild fish' includes a fillet, steak, nugget, and any other flesh from wild fish or shellfish.

`(C) EXCLUSIONS- The term `wild fish' excludes net-pen aquacultural or other farm-raised fish.

`SEC. 282. NOTICE OF COUNTRY OF ORIGIN.

`(a) IN GENERAL-

`(1) REQUIREMENT- Except as provided in subsection (b), a retailer of a covered commodity shall inform consumers, at the final point of sale of the covered commodity to consumers, of the country of origin of the covered commodity.

`(2) UNITED STATES COUNTRY OF ORIGIN- A retailer of a covered commodity may designate the covered commodity as having a United States country of origin only if the covered commodity--

`(A) in the case of beef, is exclusively from an animal that is exclusively born, raised, and slaughtered in the United States (including from an animal exclusively born and raised in Alaska or Hawaii and transported for a period not

to exceed 60 days through Canada to the United States and slaughtered in the United States);

`(B) in the case of lamb and pork, is exclusively from an animal that is exclusively born, raised, and slaughtered in the United States;

`(C) in the case of farm-raised fish, is hatched, raised, harvested, and processed in the United States;

`(D) in the case of wild fish, is--

`(i) harvested in waters of the United States, a territory of the United States, or a State; and

`(ii) processed in the United States, a territory of the United States, or a State, including the waters thereof; and

`(E) in the case of a perishable agricultural commodity or peanuts, is exclusively produced in the United States.

`(3) WILD FISH AND FARM-RAISED FISH- The notice of country of origin for wild fish and farm-raised fish shall distinguish between wild fish and farm-raised fish.

`(b) EXEMPTION FOR FOOD SERVICE ESTABLISHMENTS- Subsection (a) shall not apply to a covered commodity if the covered commodity is--

`(1) prepared or served in a food service establishment; and

`(2)(A) offered for sale or sold at the food service establishment in normal retail quantities; or

`(B) served to consumers at the food service establishment.

`(c) METHOD OF NOTIFICATION-

`(1) IN GENERAL- The information required by subsection (a) may be provided to consumers by means of a label, stamp, mark, placard, or other clear and visible sign on the covered commodity or on the package, display, holding unit, or bin containing the commodity at the final point of sale to consumers.

`(2) LABELED COMMODITIES- If the covered commodity is already individually labeled for retail sale regarding country of origin, the retailer shall not be required to provide any additional information to comply with this section.

`(d) AUDIT VERIFICATION SYSTEM- The Secretary may require that any person that prepares, stores, handles, or distributes a covered commodity for retail sale maintain a verifiable recordkeeping audit trail that will permit the Secretary to verify compliance with this subtitle (including the regulations promulgated under section 284(b)).

`(e) INFORMATION- Any person engaged in the business of supplying a covered commodity to a retailer shall provide information to the retailer indicating the country of origin of the covered commodity.

`(f) CERTIFICATION OF ORIGIN-

`(1) MANDATORY IDENTIFICATION- The Secretary shall not use a mandatory identification system to verify the country of origin of a covered commodity.

`(2) EXISTING CERTIFICATION PROGRAMS- To certify the country of origin of a covered commodity, the Secretary may use as a model certification programs in existence on the date of enactment of this Act, including--

`(A) the carcass grading and certification system carried out under this Act;

`(B) the voluntary country of origin beef labeling system carried out under this Act;

`(C) voluntary programs established to certify certain premium beef cuts;

`(D) the origin verification system established to carry out the child and adult care food program established under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766); or

`(E) the origin verification system established to carry out the market access program under section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623).

`SEC. 283. ENFORCEMENT.

`(a) IN GENERAL- Except as provided in subsections (b) and (c), section 253 shall apply to a violation of this subtitle.

`(b) WARNINGS- If the Secretary determines that a retailer is in violation of section 282, the Secretary shall--

`(1) notify the retailer of the determination of the Secretary; and

`(2) provide the retailer a 30-day period, beginning on the date on which the retailer receives the notice under paragraph (1) from the Secretary, during which the retailer may take necessary steps to comply with section 282.

`(c) FINES- If, on completion of the 30-day period described in subsection (b)(2), the Secretary determines that the retailer has willfully violated section 282, after providing notice and an opportunity for a hearing before the Secretary with respect to the violation, the Secretary

may fine the retailer in an amount of not more than \$10,000 for each violation.

SEC. 284. REGULATIONS.

(a) GUIDELINES- Not later than September 30, 2002, the Secretary shall issue guidelines for the voluntary country of origin labeling of covered commodities based on the requirements of section 282.

(b) REGULATIONS- Not later than September 30, 2004, the Secretary shall promulgate such regulations as are necessary to implement this subtitle.

(c) PARTNERSHIPS WITH STATES- In promulgating the regulations, the Secretary shall, to the maximum extent practicable, enter into partnerships with States with enforcement infrastructure to assist in the administration of this subtitle.

SEC. 285. APPLICABILITY.

'This subtitle shall apply to the retail sale of a covered commodity beginning September 30, 2004.'