Michael O'Grady 4/16/14

Grey Highlight= Differences Between House Passed Bill and of Committee on Agriculture Proposal

H.112: Side by Side of House Passed Bill and Senate Proposal of Amendment				
H.112 As Passed by House	H.112 As Proposed by Senate			
Sec. 1. FINDINGS	Sec. 1. FINDINGS			
The General Assembly finds and declares that:	The General Assembly finds and declares that:			
(1) U.S. federal law does not provide for the	(1) U.S. federal law does not provide for the			
regulation of the safety and labeling of food that is	labeling of food that is produced with genetic			
produced with genetic engineering, as evidenced by the	engineering, as evidenced by the following:			
following:				
(A) U.S. federal labeling and food and drug	(A) U.S. federal labeling and food and drug			
laws do not require manufacturers of food produced	laws do not require manufacturers of food produced			
with genetic engineering to label such food as	with genetic engineering to label such food as			
genetically engineered.	genetically engineered.			
(B) As indicated by the testimony of Dr.	(B) As indicated by the testimony of a U.S.			
Robert Merker, a U.S. Food and Drug Administration	Food and Drug Administration (FDA) Supervisory			
(FDA) Supervisory Consumer Safety Officer, the FDA	Consumer Safety Officer, the FDA has statutory			
has statutory authority to require labeling of food	authority to require labeling of food products, but does			
products, but does not consider genetically engineered	not consider genetically engineered foods to be			
foods to be materially different from their traditional	materially different from their traditional counterparts			
counterparts to justify such labeling.	to require such labeling.			
(C) No formal FDA policy on the labeling of	(C) No formal FDA policy on the labeling of			
genetically engineered foods has been adopted.	genetically engineered foods has been adopted.			
Currently, the FDA only provides nonbinding guidance	Currently, the FDA only provides nonbinding guidance			
on the labeling of genetically engineered foods,	on the labeling of genetically engineered foods,			
including a 1992 draft guidance regarding the need for	including a 1992 draft guidance regarding labeling of			
the FDA to regulate labeling of food produced from	food produced from genetic engineering and a 2001			
genetic engineering and a 2001 draft guidance for	draft guidance for industry regarding voluntary labeling			
industry regarding voluntary labeling of food produced	of food produced from genetic engineering.			
from genetic engineering.				

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## (D) The FDA regulates genetically engineered foods in the same way it regulates foods developed by traditional plant breeding.

- does not independently test the safety of genetically engineered foods. Instead, manufacturers may submit safety research and studies, the majority of which the manufacturers finance or conduct. The FDA reviews the manufacturers' research and reports through a voluntary safety consultation, and issues a letter to the manufacturer acknowledging the manufacturer's conclusion regarding the safety of the genetically engineered food product being tested.
- (F) The FDA does not use meta-studies or other forms of statistical analysis to verify that the studies it reviews are not biased by financial or professional conflicts of interest.
- (G) There is a lack of consensus regarding the validity of the research and science surrounding the safety of genetically engineered foods, as indicated by the fact that there are peer-reviewed studies published in international scientific literature showing negative, neutral, and positive health results.
- (H) There have been no long-term or epidemiologic studies in the United States that examine the safety of human consumption of genetically

## H.112 As Proposed by Senate

- (2) U.S. federal law does not require independent lesting of the safety of food produced with genetic engineering, as evidenced by the following:
- (A) In its regulation of food, the FDA does not distinguish genetically engineered foods from foods developed by traditional plant breeding.
- does not independently test the safety of genetically engineered foods. Instead, manufacturers submit safety research and studies, the majority of which the manufacturers finance or conduct. The FDA reviews the manufacturers' research and reports through a voluntary safety consultation, and issues a letter to the manufacturer acknowledging the manufacturer's conclusion regarding the safety of the genetically engineered food product being tested.
- (C) The FDA does not use meta-studies or other forms of statistical analysis to verify that the studies it reviews are not biased by financial or professional conflicts of interest.
- (D) There is a lack of consensus regarding the validity of the research and science surrounding the safety of genetically engineered foods, as indicated by the fact that there are peer-reviewed studies published in international scientific literature showing negative, neutral, and positive health results.
- (E) There have been no long-term or epidemiologic studies in the United States that examine the safety of human consumption of genetically

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## engineered foods.

- (I) Independent scientists are limited from conducting safety and risk-assessment research of genetically engineered materials used in food products due to industry restrictions on the use for research of those genetically engineered materials used in food products.
- Genetically engineered foods are increasingly available for human consumption, as evidenced by the fact that:
- (A) it is estimated that up to 80 percent of the processed foods sold in the United States are at least partially produced from genetic engineering; and
- (B) according to the U.S. Department of Agriculture, in 2012, genetically engineered soybeans accounted for 93 percent of U.S. soybean acreage, and genetically engineered corn accounted for 88 percent of U.S. corn acreage.
- risks to health, safety, agriculture, and the environment, as evidenced by the following:
- (A) Independent studies in laboratory animals indicate that the ingestion of genetically engineered foods may lead to health problems such as gastrointestinal damage, liver and kidney damage.

  reproductive problems, immune system interference and altergic responses.
- (B) The genetic engineering of plants and animals may cause unintended consequences. The use

## H.112 As Proposed by Senate

## engineered foods.

- (F) Independent scientists may be limited from conducting safety and risk-assessment research of genetically engineered materials used in food products due to industry restrictions or patent restrictions on the use for research of those genetically engineered materials used in food products.
- Genetically engineered foods are increasingly available for human consumption, as evidenced by the fact that:
- (A) it is estimated that up to 80 percent of the processed foods sold in the United States are at least partially produced from genetic engineering; and
- (B) according to the U.S. Department of Agriculture, in 2012, genetically engineered soybeans accounted for 93 percent of U.S. soybean acreage, and genetically engineered corn accounted for 88 percent of U.S. corn acreage.
- Genetically engineered foods potentially pose risks to health, safety, agriculture, and the environment, as evidenced by the following:
- (A) There are conflicting studies assessing the health consequences of food produced from genetic engineering
- (B) The genetic engineering of plants and animals may cause unintended consequences.

displacement of those native plants, and in turn,

wild varieties.

displacement of the native fauna dependent on those

Grey Highlight= Differences Between House Passed Bill and of Committee on Agriculture Proposal

## H.112 As Proposed by Senate H.112 As Passed by House of genetic engineering to manipulate genes by inserting them into organisms is an imprecise process. Mixing plant, animal, bacteria, and viral genes through genetic engineering in combinations that cannot occur in nature may produce results that lead to adverse health or environmental consequences: (C) The use of genetically engineered crops is (C) The use of genetically engineered crops is increasing in commodity agricultural production increasing in commodity agricultural production practices. Genetically engineered crops promote largepractices, which contribute to genetic homogeneity, loss scale monoculture production, which contributes to of biodiversity, and increased vulnerability of crops to genetic homogeneity, loss of biodiversity, and increased pests, diseases, and variable climate conditions. vulnerability of crops to pests, diseases, and variable climate conditions. (D) Genetically engineered crops that include pesticides may adversely affect populations of bees, butterflies, and other nontarget insects. (E) Cross-pollination of or cross-Cross-pollination of or crosscontamination by genetically engineered crops may contamination by genetically engineered crops may contaminate organic crops and, consequently, affect contaminate organic crops and prevent organic farmers and organic food producers from qualifying for organic marketability of those crops. certification under federal law. (F) Cross-pollination from genetically (L) Cross-pollination from genetically engineered crops may have an adverse effect on native engineered crops may have an adverse effect on native flora and fauna. The transfer of unnatural flora and fauna. The transfer of unnatural deoxyribonucleic acid to wild relatives can lead to deoxyribonucleic acid to wild relatives can lead to

displacement of those native plants, and in turn,

wild varieties.

displacement of the native fauna dependent on those

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- religious, environmental, and economic reasons, the

  State of Vermont finds that food produced from genetic
  engineering should be labeled as such, as evidenced by
  the following:
- (A) Public opinion polls conducted by the

  Center for Rural Studies at the University of Vermont
  indicate that a large majority of Vermonters want foods
  produced with genetic engineering to be labeled as
  such.

by this act, involves the direct injection of genes into cells, the fusion of cells, or the hybridization of genes that does not occur in nature, labeling foods produced with genetic engineering as "natural," "naturally made," "naturally grown," "all natural," or other similar descriptors is inherently misleading, poses a risk of confusing or deceiving consumers, and conflicts with the general perception that "natural" foods are not genetically engineered.

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- For multiple health, personal, religious, and environmental reasons, the State of Vermont finds that food produced from genetic engineering should be labeled as such, as evidenced by the following:
- (A) Public opinion polls conducted by the

  Center for Rural Studies at the University of Vermont
  indicate that a large majority of Vermonters want foods
  produced with genetic engineering to be labeled as
  such.
- (B) Polling by the New York Times indicated that many consumers are under an incorrect assumption about whether the food they purchase is produced from genetic engineering, and labeling food as produced from genetic engineering will reduce consumer confusion or deception regarding the food they purchase.
- by this act, involves the direct injection of genes into cells, the fusion of cells, or the hybridization of genes that does not occur in nature, labeling foods produced with genetic engineering as "natural," "naturally made," "naturally grown," "all natural," or other similar descriptors is inherently misleading, poses a risk of confusing or deceiving consumers, and conflicts with the general perception that "natural" foods are not genetically engineered.

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- object to producing foods using genetic engineering because of objections to tampering with the genetic makeup of life forms and the rapid introduction and proliferation of genetically engineered organisms and, therefore, need food to be labeled as genetically engineered in order to conform to religious beliefs and comply with dietary restrictions.
- genetic engineering be labeled as such will create
  additional market opportunities for those producers who
  are not certified as organic and whose products are not
  produced from genetic engineering. Such additional
  market opportunities will also contribute to vibrant and
  diversified agricultural communities.
- (E) Labeling gives consumers information they can use to make informed decisions about what products they would prefer to purchase.
- do not require the labeling of food produced with genetic engineering, the State should require food produced with genetic engineering to be labeled as such in order to serve the interests of the State, notwithstanding limited exceptions, to prevent inadvertent consumer deception, prevent potential risks to human health, promote food safety, protect cultural and religious practices, protect the environment, and promote economic developments

## H.112 As Proposed by Senate

object to producing foods using genetic engineering because of objections to tampering with the genetic makeup of life forms and the rapid introduction and proliferation of genetically engineered organisms and, therefore, need food to be labeled as genetically engineered in order to conform to religious beliefs and comply with dietary restrictions.

- (E) Labeling gives consumers information they can use to make decisions about what products they would prefer to purchase.
- do not require the labeling of food produced with genetic engineering, the State should require food produced with genetic engineering to be labeled as such in order to serve the interests of the State, notwithstanding limited exceptions, to prevent inadvertent consumer deception, prevent potential risks to human health, protect religious practices, and protect the environment.

## H.112 As Passed by House

## Sec. 2. 9 V.S.A. chapter 82A is added to read: CHAPTER 82A. LABELING OF FOOD PRODUCED WITH GENETIC ENGINEERING § 3041. PURPOSE

It is the purpose of this chapter to:

- (1) Public health and food safety. Promote food safety and protect public health by enabling consumers to avoid the potential risks associated with genetically engineered foods, and serve as a risk management tool enabling consumers, physicians, and scientists to identify unintended health effects resulting from the consumption of genetically engineered foods.
- (2) Environmental impacts. Assist consumers who are concerned about the potential effects of genetic engineering on the environment to make informed purchasing decisions.
- (3) Consumer confusion and deception. Reduce and prevent consumer confusion and deception and promote the disclosure of factual information on food labels to allow consumers to make informed decisions.
- (4) Promoting economic development. Create additional market opportunities for those producers who are not certified organic and whose products are not produced using genetic engineering and to enable consumers to make informed purchasing decisions

## H.112 As Proposed by Senate

Sec. 2. 9 V.S.A. chapter 82A is added to read:

CHAPTER 82A. LABELING OF FOOD PRODUCED

WITH GENETIC ENGINEERING

§ 3041. PURPOSE

It is the purpose of this chapter to:

- (1) Public health and food safety. Establish a system by which persons may make informed decisions regarding the potential health effects of the food they purchase and consume and by which, if they chooses persons may avoid potential health risks of food produced from genetic engineering.
- (2) Environmental impacts. Inform the purchasing decisions of consumers who are concerned about the potential environmental effects of the production of food from genetic engineering.
- (3) Consumer confusion and deception. Reduce and prevent consumer confusion and deception by prohibiting the labeling of products produced from genetic engineering as "natural" and by promoting the disclosure of factual information on food labels to allow consumers to make informed decisions.

## H.112 As Passed by House

# Provide consumers with data from which they may make informed decisions for personal, religious, moral cultural, or ethical reasons.

## § 3042. DEFINITIONS

As used in this chapter:

- (1) "Consumer" shall have the same meaning as in subsection 2451a(a) of this title.
- (2) "Enzyme" means a protein that catalyzes chemical reactions of other substances without itself being destroyed or altered upon completion of the reactions.
- "Genetic engineering" is a process by which a food is produced from an organism or organisms in which the genetic material has been changed through the application of:
- (A) in vitro nucleic acid techniques, including recombinant deoxyribonucleic acid (DNA) techniques and the direct injection of nucleic acid into cells or organelles; or
- (B) fusion of cells (including protoplast fusion) or hybridization techniques that overcome natural physiological, reproductive, or recombination barriers, where the donor cells or protoplasts do not fall within the same taxonomic group, in a way that does not occur by natural multiplication or natural

## H.112 As Proposed by Senate

Protecting religious practices. Provide consumers with data from which they may make informed decisions for religious reasons.

## § 3042. DEFINITIONS

As used in this chapter:

- (1) "Consumer" shall have the same meaning as in subsection 2451a(a) of this title.
- (2) "Enzyme" means a protein that catalyzes chemical reactions of other substances without itself being destroyed or altered upon completion of the reactions.
- (3) "Food" means food intended for human consumption.
- "Genetic engineering" is a process by which a food is produced from an organism or organisms in which the genetic material has been changed through the application of:
- (A) in vitro nucleic acid techniques, including recombinant deoxyribonucleic acid (DNA) techniques and the direct injection of nucleic acid into cells or organelles; or
- (B) fusion of cells (including protoplast fusion) or hybridization techniques that overcome natural physiological, reproductive, or recombination barriers, where the donor cells or protoplasts do not fall within the same taxonomic group, in a way that does not occur by natural multiplication or natural

## H.112 As Passed by House

## recombination.

"In vitro nucleic acid techniques" means
techniques, including recombinant DNA or ribonucleic
acid techniques, that use vector systems and techniques
involving the direct introduction into the organisms of
hereditary materials prepared outside the organisms
such as micro-injection, chemoporation,
electroporation, micro-encapsulation, and liposome
fusion.

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## recombination.

- "In vitro nucleic acid techniques" means
  techniques, including recombinant DNA or ribonucleic
  acid techniques, that use vector systems and techniques
  involving the direct introduction into the organisms of
  hereditary materials prepared outside the organisms
  such as micro-injection, chemoporation,
  electroporation, micro-encapsulation, and liposome
  fusion.
- (A) produces a processed food or raw agricultural commodity under its own brand or labels for sale in or into the State;
- (B) sells in or into the State under its own brand or label asprocessed food or raw agricultural commodity produced by another supplier:
- (C) owns a brand that it licenses or licensed to another person for use on a processed food or raw commodity sold in or into the State;
- (D) sells in, sells into, or distributes in the State a processed food or raw agricultural commodity that it packaged under a brand or label owned by another person;
- (E) imports into the United States for sale in or into the State a processed food or raw agricultural commodity produced by a person without a presence in the United States; or
- (F) produces a processed food or raw agricultural commodity for sale in or into the State

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- "Organism" means any biological entity capable of replication, reproduction, or transferring of genetic material.
- "Processed food" means any food other than a raw agricultural commodity and includes any food produced from a raw agricultural commodity that has been subjected to processing such as canning, smoking, pressing, cooking, freezing, dehydration, fermentation, or milling.

## "Processing aid" means:

- (A) a substance that is added to a food during the processing of the food but that is removed in some manner from the food before the food is packaged in its finished form;
- (B) a substance that is added to a food during processing, is converted into constituents normally present in the food, and does not significantly increase the amount of the constituents naturally found in the food; or
- (C) a substance that is added to a food for its technical or functional effect in the processing but is present in the finished food at levels that do not have any technical or functional effect in that finished food.
- "Raw agricultural commodity" means any food in its raw or natural state, including any fruit that is washed, colored, or otherwise treated in its unpeeled natural form prior to marketing.

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without affixing a brand name.

- "Organism" means any biological entity capable of replication, reproduction, or transferring of genetic material.
- "Processed food" means any food other than a raw agricultural commodity and includes any food produced from a raw agricultural commodity that has been subjected to processing such as canning, smoking, pressing, cooking, freezing, dehydration, fermentation, or milling.

## (2) "Processing aid" means:

- (A) a substance that is added to a food during the processing of the food but that is removed in some manner from the food before the food is packaged in its finished form;
- (B) a substance that is added to a food during processing, is converted into constituents normally present in the food, and does not significantly increase the amount of the constituents naturally found in the food; or
- (C) a substance that is added to a food for its technical or functional effect in the processing but is present in the finished food at levels that do not have any technical or functional effect in that finished food.
- food in its raw or natural state, including any fruit of vegetable that is washed, colored, or otherwise treated in its unpeeled natural form prior to marketing.

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## § 3043. LABELING OF FOOD PRODUCED WITH GENETIC ENGINEERING

- (a) Except as set forth in section 3044 of this title, food purchased by a retailer after July 1, 2015 shall be labeled as produced entirely or in part from genetic engineering if it is a product:
  - (1) offered for retail sale in Vermont; and
- (2) entirely or partially produced with genetic engineering.
- (b) If a food is required to be labeled under subsection (a) of this section, it shall be labeled as follows:
- on the package offered for retail sale, with the clear and conspicuous words, "produced with genetic engineering" or "genetically engineered" on the front of the package of the commodity or in the case of any such commodity that is not separately packaged or labeled, on a label appearing on the retail store shelf of bin in which the commodity is displayed for sale; or
- in the case of any processed food that contains a product or products of genetic engineering, in clear and conspicuous language on the front or back of the package of the food, with the words "partially produced with genetic engineering" or "may be partially produced with genetic engineering."

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## § 3043. LABELING OF FOOD PRODUCED WITH GENETIC ENGINEERING

- (a) Except as set forth in section 3044 of this title, food offered for sale by a retailer after July 1, 2016 shall be labeled as produced entirely or in part from genetic engineering if it is a product:
  - (1) offered for retail sale in Vermont; and
- (2) entirely or partially produced with genetic engineering.
- (b) If a food is required to be labeled under subsection (a) of this section, it shall be labeled as follows:
- (1) in the case of a packaged raw agricultural commodity, the manufacturer shall label the packaged offered for retail sale, with the clear and conspicuous words "produced with genetic engineering";
- (2) in the case of any raw agricultural commodity that is not separately packaged, the retailer shall post a label appearing on the retail store shelf or bin in which the commodity is displayed for sale with the clear and conspicuous words "produced with genetic engineering"; or
- (3) in the case of any processed food that contains a product or products of genetic engineering, the manufacturer shall label the package in which the processed food is offered for sale with the words "partially produced with genetic engineering"; "may be produced with genetic engineering"; or "produced with genetic engineering."

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- (c) Except as set forth under section 3044 of this title, a food produced entirely or in part from genetic engineering shall not be labeled on the product, in signage, or in advertising as "natural," "naturally made," "naturally grown," "all natural," or any words of similar import that would have a tendency to mislead a consumer.
  - (d) This law shall not be construed to require:
- (1) the listing or identification of any ingredient or ingredients that were genetically engineered; or
- (2) the placement of the term "genetically engineered" immediately preceding any common name or primary product descriptor of a food.

## § 3044. EXEMPTIONS

The following foods shall not be subject to the labeling requirements of section 3043 of this title:

- (1) Food consisting entirely of or derived entirely from an animal which has not itself been produced with genetic engineering, regardless of whether the animal has been fed or injected with any food or drug produced with genetic engineering.
- (2) A raw agricultural commodity or processed food derived from it that has been grown, raised, or produced without the knowing and intentional use of food or seed produced with genetic engineering. Food will be deemed to be as described in this subdivision only if the person otherwise responsible for complying

## H.112 As Proposed by Senate

- (c) Except as set forth under section 3044 of this title, a manufacturer of a food produced entirely or in part from genetic engineering shall not tabel the product on the package, in signage, or in advertising as "natural," "naturally made," "naturally grown," "all natural," or any words of similar import that would have a tendency to mislead a consumer.
- (d) This section and the requirements of this chapter shall not be construed to require:
- (1) the listing or identification of any ingredient or ingredients that were genetically engineered; or
- (2) the placement of the term "genetically engineered" immediately preceding any common name or primary product descriptor of a food.

## § 3044. EXEMPTIONS

The following foods shall not be subject to the labeling requirements of section 3043 of this title:

- (1) Food consisting entirely of or derived entirely from an animal which has not itself been produced with genetic engineering, regardless of whether the animal has been fed or injected with any food, drug, or other substance produced with genetic engineering.
- (2) A raw agricultural commodity or processed food derived from it that has been grown, raised, or produced without the knowing or intentional use of food or seed produced with genetic engineering. Food will be deemed to be as described in this subdivision only if the person otherwise responsible for complying

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with the requirements of subsection 3043(a) of this title with respect to a raw agricultural commodity or processed food obtains, from whomever sold the commodity or food to that person, a sworn statement that the commodity or food has not been knowingly or intentionally produced with genetic engineering and has been segregated from and has not been knowingly or intentionally commingled with food that may have been produced with genetic engineering at any time. In providing such a sworn statement, any person may rely on a sworn statement from his or her own supplier that contains the affirmation set forth in this subdivision.

- (3) Any processed food which would be subject to subsection 3043(a) of this title solely because it includes one or more processing aids or enzymes produced with genetic engineering.
- (4) Any beverage that is subject to the provisions of Title 7.
- (5) Until July 1, 2019, any processed food that would be subject to subsection 3043(a) of this title solely because it includes one or more materials that have been produced with genetic engineering, provided that the genetically engineered materials in the aggregate do not account for more than nine-tenths of one percent of the total weight of the processed food.
- (6) Food that an independent organization has verified has not been knowingly and intentionally produced from or commingled with food or seed

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with the requirements of subsection 3043(a) of this title with respect to a raw agricultural commodity or processed food obtains, from whomever sold the ray agricultural commodity or processed food to that person, a sworn statement that the raw agricultural commodity or processed food has not been knowingly or intentionally produced with genetic engineering and has been segregated from and has not been knowingly or intentionally commingled with food that may have been produced with genetic engineering at any time. In providing such a sworn statement, any person may rely on a sworn statement from his or her own supplier that contains the affirmation set forth in this subdivision.

- (3) Any processed food which would be subject to subsection 3043(a) of this title solely because it includes one or more processing aids or enzymes produced with genetic engineering.
- (4) Any beverage that is subject to the provisions of Title 7.
- (5) Any processed food that would be subject to subsection 3043(a) of this title solely because it includes one or more materials that have been produced with genetic engineering, provided that the genetically engineered materials in the aggregate do not account for more than 0.9 percent of the total weight of the processed food.
- (6) Food that an independent organization has verified has not been knowingly as intentionally produced from or commingled with food or seed

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Attorney General, after consultation with the

Department of Health, shall approve by procedure the independent organizations from which verification shall be acceptable under this section.

- (7) Food that has been lawfully certified to be labeled, marketed, and offered for sale as "organic" pursuant to the federal Organic Food Products

  Act of 1990 and the regulations promulgated pursuant thereto by the U.S. Department of Agriculture.
- Food that is not packaged for retail sale and that is:
- (A) a processed food prepared and intended for immediate human consumption; or
- (B) served, sold, or otherwise provided in any restaurant or other food establishment, as defined in 18 V.S.A. § 4301, that is primarily engaged in the sale of food prepared and intended for immediate human consumption.
- W) Medical food, as that term is defined in 21 U.S.C. § 360ee(b)(3).

## § 3045. RETAILER LIABILITY

- (a) A retailer shall not be liable for the failure to label a processed food as required by section 3043 of this title, unless:
- (1) the retailer is the producer or manufacturer of the processed food; or
  - (2) the retailer sells the processed food under a

## H.112 As Proposed by Senate

produced with genetic engineering. The Office of the Attorney General, after consultation with the Department of Health, shall approve by procedure the independent organizations from which verification shall be acceptable under this subdivision (6).

- Food that is not packaged for retail sale and that is:
- (A) a processed food prepared and intended for immediate human consumption; or
- (B) served, sold, or otherwise provided in any restaurant or other food establishment, as defined in 18 V.S.A. § 4301, that is primarily engaged in the sale of food prepared and intended for immediate human consumption.
- W.S.C. § 360ee(b)(3).

## § 3045. RETAILER LIABILITY

(a) A retailer shall not be liable for the failure to label a processed food as required by section 3043 of this title, unless the retailer is the producer of manufacturer of the processed food.

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brand it owns, but the food was produced or manufactured by another producer or manufacturer

(b) A retailer shall not be held liable for failure to label a raw agricultural commodity as required by section 3043 of this title, provided that the retailer, within 20 days of any proposed enforcement action or notice of violation, obtains a sworn statement in accordance with subdivision 3044(2) of this title.

## § 3046. SEVERABILITY

If any provision of this chapter or its application to any person or circumstance is held invalid or in violation of the Constitution or laws of the United States or in violation of the Constitution or laws of Vermont, the invalidity or the violation shall not affect other provisions of this section which can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are severable.

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(b) A retailer shall not be held liable for failure to label a raw agricultural commodity as required by section 3043 of this title, provided that the retailer, within 30 days of any proposed enforcement action or notice of violation, obtains a sworn statement in accordance with subdivision 3044(2) of this title.

## § 3046. SEVERABILITY

If any provision of this chapter or its application to any person or circumstance is held invalid or in violation of the Constitution or laws of the United States or in violation of the Constitution or laws of Vermont, the invalidity or the violation shall not affect other provisions of this section which can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are severable.

## § 3047. FALSE CERTIFICATION

It shall be a violation of this chapter for a person knowingly to provide a false statement under subdivision 3044(2) of this title that a raw agricultural commodity or processed food has not been knowingly or intentionally produced with genetic engineering and has been segregated from and has not been knowingly, or intentionally commingled with tood that may have been produced with genetic engineering at any time.

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## \$3047. PENALTIES; ENFORCEMENT

(a) A violation of this chapter is deemed to be a violation of section 2453 of this title.

(b) The Attorney General shall have the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions, and consumers shall have the same rights and remedies as provided under subchapter 1 of chapter 63 of this title.

## Sec. 3. ATTORNEY GENERAL RULEMAKING; LABELING OF FOOD PRODUCED WITH GENETIC ENGINEERING

The Attorney General is authorized to adopt by rule requirements for the implementation of Sec. 2 of this act, including a requirement that the label required for food produced from genetic engineering include a disclaimer that the Food and Drug Administration does not consider foods produced from genetic engineering to be materially different from other foods. Any rule adopted under this section shall not go into effect until

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## § 3048. PENALTIES; ENFORCEMENT

- this chapter shall be liable for a civil penalty of not more than \$1,000.00 per day, per product. Calculation of the civil penalty shall not be made or multiplied by the number of individual packages of the same product displayed or offered for retail sale. Civil penalties assessed under this section shall accrue and be assessed per each uniquely named, designated, or marketed product
- (b) The Attorney General shall have the same authority to make rules, conduct civil investigations, enter into assurances of discontinuance, and bring civil actions as provided under subchapter 1 of chapter 63 of this title. Consumers shall have the same rights and remedies as provided under subchapter 1 of chapter 63 of this title.

## Sec. 3. ATTORNEY GENERAL RULEMAKING; LABELING OF FOOD PRODUCED WITH GENETIC ENGINEERING

The Attorney General may adopt by rule requirements for the implementation of 9 V.S.A chapter 82A, including:

(1) a requirement that the label required for food produced from genetic engineering include a disclaimer that the Food and Drug Administration does not consider foods produced from genetic engineering to be materially different from other foods; and

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the effective date of this act.	(2) notwithstanding the labeling language				
	required by 9 V.S.A. § 3043(a), a requirement that a				
	label required under 9 V.S.A. chapter 82A identify food				
	produced entirely or in part from genetic engineering in				
	a manner consistent with requirements in other				
1.	jurisdictions for the labeling of food, including the				
	labeling of food produced with genetic engineering.				
	Sec. 4. GENETICALLY ENGINEERED FOOD				
	LABELING SPECIAL FUND				
	(a) There is established a Genetically Engineered				
	Food Labeling Special Fund, pursuant to 32 V.S.A.				
	chapter 7, subchapter 5 to pay costs or liabilities				
	incurred by the Attorney General or the State in				
	implementation and administration, including				
	rulemaking, of the requirements under 9 V.S.A. chapter				
	82A for the labeling of food produced from genetic				
	engineering.				
	(b) The Fund shall consist of:				
	(1) private gifts, bequests, grants, or donations of				
	any amount made to the State from any public or				
	private source for the purposes for which the Fund was				
	established;				
	(2) except for those recoveries that by law are				
	appropriated for other uses, up to \$1,500,000.00 of				
	settlement monies collected by the Office of the				
	Attorney General that, as determined by the Office of				
	the Attorney General after consultation with the Joint				
	Fiscal Office and the Department of Finance and				

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	Management, exceed the estimated amounts of				
	settlement proceeds in the July 2014 official revenue				
	forecast issued under 32 V.S.A. § 305a for fiscal year				
	2015; and				
	(3) such sums as may be appropriated or				
	transferred by the General Assembly.				
	(c) Monies in the Fund from settlement monies				
	collected by the Office of the Attorney General or from				
	unds appropriated or transferred by the General				
	Assembly shall be disbursed only if monies in the Fund				
	from private gifts, bequests, grants, or donations are				
	insufficient to the Attorney General to pay the costs or				
	liabilities of the Attorney General or the State incurred				
	in implementation and administration of the				
	requirements of 9 V.S.A. chapter 82A.				
	(d) On or after July 1, 2018, if the Attorney General				
	is not involved in ongoing litigation regarding the				
	requirements of 9 V.S.A. chapter 82A and monies in				
	the Fund exceed the costs or liabilities of the Attorney				
	General or the State:				
	(1) unexpended monies in the Fund received				
	from private or public sources shall be appropriated by				
	the General Assembly, after review by the Senate and				
	House Committees on Appropriations, the Senate				
	Committee on Agriculture, and the House Committee				
	on Agriculture and Forest Products, for the support of				
	agricultural activities or agricultural purposes in the				
	State, including promotion of value-added products,				
	compliance with water quality requirements, and				

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	marketing assistance and development; and				
	(2) unexpended State monies in the Fund shall				
	revert to the General Fund.				
	Sec. 5. ATTORNEY GENERAL FISCAL YEAR				
	BUDGET				
	If, in fiscal year 2015, \$1,500,000.00 in monies is				
	not collected in the Genetically Engineered Food				
	Labeling Special Fund established under Sec. 4 of this				
	act, the Attorney General shall request in the fiscal year				
	2016 budget proposal for the Office of the Attorney				
	General the monies necessary to implement and				
	administer the requirements established by 9 V.S.A.				
	chapter 82A for the labeling of food produced from				
	genetic engineering				
	Sec. 6. ATTORNEY GENERAL REPORT ON				
	LABELING OF MILK				
	(a) On or before January 15, 2015, the Office of the				
	Attorney General, after consultation with the Agency of				
	Agriculture, Food and Markets, shall submit to the				
	Senate and House Committees on the Judiciary, the				
	Senate Committee on Agriculture, and the House				
	Committee on Agriculture and Forest Products a report				
	regarding whether milk and milk products should be				
	subject to the labeling requirements of 9 V.S.A. chapter				
	82A for food produced with genetic engineering. The				
	report shall include:				
	(1) a recommendation as to whether milk or milk				

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	products should be subject to the requirements of 9				
	V.S.A. chapter 82A; and				
	(2) the legal basis for the recommendation under				
	subdivision (1) of this subsection.				
	(b) In exercise of the Attorney General's authority				
	to defend the interests of the State, the Attorney				
	General, in his or her discretion, may notify the General				
	Assembly that it is not in the best interest of the State to				
	submit the report required under subsection (a) of this				
	section on or before January 15, 2015. Any notice				
	submitted under this subsection shall estimate the date				
	when the report shall be submitted to the General				
	Assembly.				
Sec. 4. EFFECTIVE DATE	Sec. 7. EFFECTIVE DATES				
(a) This section and Sec. 3 (Attorney General	(a) This section and Secs. 3 (Attorney General				
rulemaking) of this act shall take effect on passage.	rulemaking), 4 (genetically engineered food labeling				
	special fund), 5 (Attorney General budget fiscal year				
	2016), 6 (Attorney General report; milk) shall take				
	effect on passage.				
(b) Secs. (findings) and 2 (labeling of food	b) Secs. 1 (findings) and 2 (labeling of food produced				
produced with genetic engineering) of this act shall take	with genetic engineering) shall take effect on July 1,				
effect on the first occurring of the following two dates	<u>2016.</u>				
(1) 18 months after two other states enact					
legislation with requirements substantially comparable					
to the requirements of this act for the labeling of food					
produced from genetic engineering; or					
(2) July 1, 2015.					

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