



H.R. 2393—Country of Origin Labeling Amendments Act of 2015 (Rep. Conaway, R-TX)

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FLOOR SCHEDULE: SCHEDULED FOR CONSIDERATION ON JUNE 10, 2015, UNDER A CLOSED [RULE](#)

TOPLINE SUMMARY: [H.R. 2393](#) would amend the [Agricultural Marketing Act of 1946](#) to repeal country of origin labeling requirements for beef, pork, and chicken products.

CONSERVATIVE CONCERNS: There are no major substantive concerns.

- **Expand the Size and Scope of the Federal Government? No**
- **Encroach into State or Local Authority? No**
- **Delegate Any Legislative Authority to the Executive Branch? No**
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No**

DETAILED SUMMARY AND ANALYSIS: The bill would repeal existing requirements for retailers of beef, pork, and chicken, at the final point of sale, to inform customers of the country of origin of those products. The bill would not affect existing requirements for country-of-origin labeling for lamb, venison, goat meat, perishable agricultural commodities, peanuts, farm-raised and wild fish, ginseng, pecans, and macadamia nuts.

COST: The Congressional Budget Office (CBO) [estimates](#) that H.R. 2393 would have an insignificant effect on discretionary spending over the 2016-2020 period because USDA would continue to enforce compliance with labeling requirements for other commodities. In 2015, USDA received an appropriation of \$5 million for country-of-origin inspections. CBO estimates that the bill would not affect direct spending or revenues, and pay-as-you-go procedures do not apply.

According to the [House report](#) accompanying the bill, in 2002, Congress enacted mandatory country-of-origin labeling (COOL) provisions requiring retailers of certain meat products to inform consumers of a product's country-of-origin. Less than five months after the COOL implementing rule was published in 2008, Canada and Mexico challenged the rule at the World Trade Center (WTO), arguing that it had a trade-distorting impact by reducing the value and number of cattle and hogs shipped to the U.S. market.

The WTO found that the way U.S. COOL regulations were implemented violated U.S. WTO obligations by discriminating against imported livestock. The United States was given until May 2013 to bring its COOL regulations into compliance with the findings of the WTO's dispute settlement panel. In response, the U.S. Department of Agriculture revised the rule in 2013. However, at the request of Canada and Mexico, the WTO established a compliance panel to determine if the revised rule brought the United States into compliance with previous rulings. The compliance panel report, released October 20, 2014, upheld the earlier findings of discrimination. The United States filed to appeal the compliance panel report on November 28, 2014. On May 18, 2015, the WTO rejected the United States' appeal and found for the fourth and final time that the U.S. COOL requirements for beef and pork are unavoidably discriminatory. The final ruling kick-starts the WTO process to

determine the level of retaliatory tariffs Canada and Mexico can now impose of the U.S., which has widely been predicted to have effects in the billions of dollars. H.R. 2393 would seek to ensure the United States' compliance with its WTO obligations. The House report (H. Rept. 114-131) accompanying H.R. 2393 can be found [here](#).

AMENDMENTS MADE IN ORDER:

OUTSIDE ORGANIZATIONS IN SUPPORT:

- [U.S. Chamber of Commerce](#)
- [National Association of Manufacturers](#)
- [National Cattlemen's Beef Association](#)
- [United States Council for International Business](#)
- [Wal-Mart Stores, Inc.](#)
- [PepsiCo](#)
- [Kraft Foods Group, Inc.](#)
- [Grocery Manufacturers Association](#)
- [The Coca-Cola Company](#)
- [Consumer Electronics Association](#)
- [ConAgra Foods, Inc.](#)
- [American Beverage Association](#)
- A complete list of organizations in support can be found [here](#).

OUTSIDE ORGANIZATIONS IN OPPOSITION:

- [National Farmers Union](#)

COMMITTEE ACTION: This bill was introduced on May 18, 2015, and was referred to the House Committee on Agriculture, which reported and amended it on May 29, 2015.

ADMINISTRATION POSITION: No statement of administration position is available.

CONSTITUTIONAL AUTHORITY: Congress has the power to enact this legislation pursuant to the following: Under Article 1, Section 8, Clause 3, Congress has the authority to regulate foreign and interstate commerce.

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