
CFA News Flash

June 2016

"Made in USA" Labeling Bill Advances in Congress

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WATCH FOR ENACTMENT OF NEW LEGISLATION: ... *and then, celebrate!*

The Federal Trade Commission's "Made in USA" labeling rules would be the single national standard under legislation approved by Senate Committee on Commerce, Science and Transportation (S.B. 1518) on March 7th.

The [Federal Trade Commission \(FTC\) Act \[8\]](#) allows an item to have the 'Made in USA' label if it is "all or virtually all" made in the United States.

- **Sen. Mike Lee, R-Utah**, said these measures would ensure that the *federal government maintains authority in setting country-of-origin labeling standards and that states do not create a patchwork of different standards* governing interstate and exported goods.

Similar legislation was approved by the House Energy and Commerce Subcommittee on Commerce, Manufacturing and Trade on June 9th.

- The Reinforcing American-Made Products Act of 2016 (H.R. 5092) states that the FTC rules would **preempt** any corresponding provision of state law "relating to the extent to which a product is introduced, delivered for introduction, sold, advertised, or offered for sale in interstate or foreign commerce with a "Made in the U.S.A." or "Made in America" label, or the equivalent thereof, in order to represent that such product was in whole or substantial part of domestic origin."
- House Energy and Commerce Committee Chairman **Fred Upton, R-Mich.**, added that doing so "would ensure that many companies will choose to keep their operations here in America."

These two measures before Congress appear to override a California law that imposed stricter "Made in U.S.A." labeling requirements than those imposed by the FTC ...and was the basis of a number of lawsuits that cost targeted companies substantial sums to either settle or fight in court. Even though the California law was revised September 2015 to align the state's labeling standards more closely with those of the FTC, it still only allowed a 5% to 10% import amount.

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