## Hearing Draft Rule November 11, 2019

# PROPOSED ORDER OF THE WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION ADOPTING RULES

The Wisconsin Department of Agriculture, Trade and Consumer Protection hereby proposes the following rule *to repeal* ATCP 83.02 (7) (d) 3. and *to amend* ATCP 83.02 (7) (a), *relating to* dairy product advertising and labeling.

# Analysis Prepared by the Department of Agriculture, Trade and Consumer Protection

Under Wis. Admin. Code ch. ATCP 83 (Dairy Product Advertising and Labeling), the Wisconsin Department of Agriculture, Trade and Consumer Protection (Department) spells out requirements for labeling and advertising dairy products as being made from milk produced without the use of synthetic bovine somatotropin (also known as recombinant bovine somatotropin, rBST, synthetic bovine growth hormone, recombinant bovine growth hormone, or rBGH). The labeling requirements are to be based upon affidavits from milk producers stating that the milk producers do not use synthetic bovine growth hormone for the production of milk. Affidavits must be signed before a notary and renewed every year. The objective of the proposed rule is to eliminate the annual renewal requirement for a milk producer's affidavit.

#### Statutes Interpreted

Statute Interpreted: Wis. Stat. §§ 97.03, 97.10 (1), 97.09 (4), 97.25 (3), 100.18 (1), 100.183 (1), and 100.20 (2).

#### Statutory Authority

Statutory Authority: Wis. Stat. §§ 93.07 (1), 97.09 (4), and 97.25 (3).

## **Explanation of Statutory Authority**

The sale of misbranded food, as defined in Wis. Stat. § 97.03, is prohibited in Wis. Stat. § 97.10 (1). Fraudulent representation of products for sale is generally prohibited in Wis. Stat. § 100.18 (1) and misrepresentation of food for sale is prohibited in Wis. Stat. § 100.183 (1). The Department has authority in Wis. Stat. § 100.20 (2) to issue general orders to prevent unfair trade practices. The Department has stated authority in Wis. Stat. § 97.09 (4) to establish and enforce standards, governing the production, processing, packaging, labeling, transportation, storage, handling, display, sale, including retail sale, and distribution of foods, needed to protect the public from the sale of adulterated or misbranded foods. The Department also has specific authority under Wis. Stat. § 97.25 (3) to promulgate rules that authorize operators of certain licensed food businesses in Wisconsin to label dairy products as "Farmer-certified"

rBGH free," or an equivalent statement that is not false or misleading. Additionally, the Department has general authority, under Wis. Stat. § 93.07 (1), to adopt rules to implement programs under its jurisdiction.

#### Related Statutes and Rules

- Wis. Stat. s. 97.03 (Standards; misbranding)
- Wis. Stat. s. 97.25 (Use of synthetic bovine growth hormone; labeling of dairy products)
- Wis. Stat. s. 100.18 (Fraudulent representations)
- Wis. Stat. s. 100.183 (Fraud, advertising foods)
- Wis. Stat. s. 100.20 (Methods of competition and trade practices)
- Wis. Admin. Code ch. ATCP 65 (Milk and Milk Products)

#### Plain Language Analysis

In revising Wis. Admin. Code ch. ATCP 83 (Dairy Product Advertising and Labeling), the Department seeks to eliminate the redundant effort necessary for milk producers to comply with the requirement to provide a yearly signed and notarized affidavit indicating non-use of rBST.

#### Summary of, and Comparison with, Existing or Proposed Federal Statutes and Regulations

The Food and Drug Administration (FDA) issued a guidance statement on rBST-free label claim wording, and initially approved administration of rBST to cows producing milk for human consumption. Otherwise, FDA has not promulgated any regulation specific to rBST-free label claims.

# Comparison with Rules in Adjacent States

The states of Michigan, Iowa, Minnesota, and Illinois do not mandate milk producers in rule to comply with rBST-free labeling and affidavit requirements.

#### Summary of Factual Data and Analytical Methodologies

The Department surveyed various industry groups and dairy plants asking for their input on a proposed change removing the annual affidavit renewal requirement.

#### Analysis and Supporting Documents used to Determine Effect on Small Business

The survey results indicated strong industry support for the proposed change. Industry representatives also appeared before the Department Board at its December 2017 meeting asking for the revision, citing the unnecessary cost and effort in meeting the annual affidavit renewal requirement, particularly when existing market pressures have largely precluded the use of rBST.

#### Effect on Small Business

The Department expects the proposed rule to have a positive impact on businesses because it will reduce the annual regulatory burden while maintaining the same level of protection against mislabeled dairy products.

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- 1 **SECTION 1.** ATCP 83.02 (7) (a) is amended to read:
- 2 ATCP 83.02 (7) (a) A milk producer affidavit under sub. (5) (c) shall be a written statement, signed by
- 3 the milk producer, which certifies to the person receiving the affidavit that the milk producer does not use
- 4 synthetic bovine somatotropin in the production of milk shipped to that person. All affidavits in effect after
- 5 January 1, 1996 shall be sworn and notarized.
- 6 **SECTION 2.** ATCP 83.02 (7) (d) 3. is repealed.