

## SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

**Bill Number:** S. 0103 Introduced on January 14, 2025

Subject: Labeling of Synthetic Food Product

Requestor: Senate Agriculture and Natural Resources

RFA Analyst(s): Daigle

Impact Date: January 16, 2025

## **Fiscal Impact Summary**

This bill replaces existing labeling requirements for cell-cultivated food products with more defined requirements. This bill also makes it unlawful for any person to label any cell-cultivated food product as any animal protein that the cell-cultivated product may resemble. The bill specifies that each package that violates these provisions is a separate and distinct misdemeanor offense.

This bill will have no expenditure impact on the Department of Agriculture and Judicial as both anticipate that any additional responsibilities due to this bill can be managed within current appropriations.

## **Explanation of Fiscal Impact**

## **Introduced on January 14, 2025 State Expenditure**

This bill defines cell-cultivated food products and requires that any cell-cultivated food product in the state must have a notice on the packaging that indicates that it is not naturally grown beef, poultry, fish, crustacean, or any other animal protein. The notice must meet the specifications as required by this bill, including the minimum size of the label and font size. This bill also makes it unlawful for any person to label any cell-cultivated food product as any other animal protein that the cell-cultivated product may resemble.

Currently, it is a misdemeanor offense for a person who advertises or sells cell-cultivated meat to misrepresent it as "meat" or "clean meat." This bill replaces existing labeling requirements for cell-cultivated food products with more defined requirements and specifies that each package that violates these provisions is a separate and distinct misdemeanor offense.

For information, based on the FDA's *Human Food Made with Cultured Animal Cells Inventory*, there are currently two U.S. companies who have completed pre-market assessments with the FDA.<sup>1</sup> However, one of the companies states on its website that tastings for U.S. consumers are

<sup>&</sup>lt;sup>1</sup> U.S. Food and Drug Administration, *Human Food Made with Cultured Animal Cells Inventory*, Retrieved January 16, 2025, <a href="https://www.cfsanappsexternal.fda.gov/scripts/fdcc/?set=AnimalCellCultureFoods">https://www.cfsanappsexternal.fda.gov/scripts/fdcc/?set=AnimalCellCultureFoods</a>.

currently paused, while the other states that consumers may be able to try the products through chef and restaurant providers, but it does not currently list any existing providers.<sup>2</sup>

**Department of Agriculture.** This bill specifies that the Department of Agriculture may promulgate regulations as necessary to implement this section. The department indicates that any increase in workload due to enforcing provisions of this bill can be managed with existing staff and resources. Therefore, this bill will have no expenditure impact for the department.

**Judicial.** Judicial reports that the implementation of this bill may increase court cases due to the new specification that each package violating a cell-cultured food provision constitutes a separate misdemeanor offense. While the increase in the number of court cases due to this bill is unknown, Judicial anticipates that any increase in caseload can be managed using existing staff and appropriations. Therefore, the bill will result in no expenditure impact for Judicial. For reference, there were no cases disposed under the existing cell-cultured food product statue from July 1, 2023, to June 6, 2024.

**State Revenue** 

N/A

**Local Expenditure** 

N/A

**Local Revenue** 

N/A

Frank A. Rainwater, Executive Director

<sup>&</sup>lt;sup>2</sup> Good Meat, Where to buy Good Meat: United States, Retrieved January 16, 2025, <a href="https://www.goodmeat.co/faq">https://www.goodmeat.co/faq</a>. Upside Foods, Innovation: Still Curious?: When and where can I get it, Retrieved January 16, 2025, <a href="https://upsidefoods.com/food">https://upsidefoods.com/food</a>.