PROPOSITION ESTABLISHES NEW STANDARDS FOR CONFINEMENT OF SPECIFIED FARM ANIMALS; BANS SALE OF NONCOMPLYING PRODUCTS. INITIATIVE STATUTE.

OFFICIAL TITLE AND SUMMARY

PREPARED BY THE ATTORNEY GENERAL

The text of this measure can be found on the Secretary of State's website at http://voterguide.sos.ca.gov.

- Establishes new minimum space requirements for confining yeal calves, breeding pigs, and egg-laying
- Requires egg-laying hens be raised in cage-free environment after December 31, 2021.
- Prohibits certain commercial sales of specified meat and egg products derived from animals confined in noncomplying manner.
- Defines sales violations as unfair competition.
- Creates good faith defense for sellers relying upon written certification by suppliers that meat and egg products comply with new confinement standards.

 Requires State of California to issue implementing regulations.

SUMMARY OF LEGISLATIVE ANALYST'S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:

- Potential decrease in state income tax revenues from farm businesses, likely not more than several million dollars annually.
- State costs up to \$10 million annually to enforce the measure.

ANALYSIS BY THE LEGISLATIVE ANALYST

BACKGROUND

Agriculture Is a Major Industry in California. California farms produce more food—such as fruit, vegetables, nuts, meat, and eggs—than in any other state. Californians also buy food produced in other states, including most of the eggs and pork they eat. The California Department of Food and Agriculture (CDFA) is responsible for promoting California agriculture and overseeing animal health and food safety.

State Law Bans Cruelty to Animals. For over a century, the state has had laws banning the mistreatment of animals, including farm animals. For example, anyone who keeps an animal in an enclosed area is required to provide it with an exercise area and give it access to shelter, food, and water. Depending on the specific violation of these requirements, a person could be found guilty of a misdemeanor or felony, either of which is punishable by a fine, imprisonment, or both.

Farm Animal Practices Are Changing. There has been growing public interest in the treatment of farm animals. In particular, concerns have been expressed about keeping farm animals in cages and crates. Partly in response to these concerns, various animal farming associations have developed guidelines and best practices to improve the care and handling of farm animals. Also in response to these concerns, many major grocery stores, restaurants, and other companies have announced that they are moving towards requiring that their food suppliers give farm animals more space to move around (for example, by only purchasing eggs from farmers who use "cagefree" housing for hens).

Proposition 2 (2008) Created Standards for Housing Certain Farm Animals. Proposition 2 generally prohibits California farmers from housing pregnant pigs, calves raised for yeal, and egg-laying hens in cages or crates that do not allow them to turn around freely, lie down, stand up, and fully extend their limbs. Under Proposition 2, anyone who violates this law is guilty of a misdemeanor.

State Law Banned the Sale of Eggs That Do Not Meet Housing Standards. A state law passed after Proposition 2 made it illegal for businesses in California to sell eggs that they knew came from hens housed in ways that do not meet Proposition 2's standards for egg-laying hens. This law applies to eggs from California or other states. Any person who violates this law is guilty of a misdemeanor. (The law does not cover liquid eggs, which are egg yolks and whites that have been removed from their shells and processed for sale.)

PROPOSAL

Creates New Standards for Housing Certain Farm Animals. This measure (Proposition 12) creates new minimum requirements on farmers to provide more space for egg-laying hens, breeding pigs, and calves raised for veal. These requirements, which apply to farm animals raised in California, would be phased in over the next several years. Figure 1 shows the specific requirements for each animal, when they would be phased in, and how they compare to current

ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

Figure 1

Minimum Space Requirements Under **Current Law and Proposition 12**

Square Footage Per Animal

		Proposition 12 ^a	
Farm Animal	Current Law ^a	Starting in 2020	Starting in 2022
Egg-laying hen	T Must be able	1 square foot of floor space	Cage-free housing ^c
Breeding pig	to turn around freely, lie down, stand up, and	_	24 square feet of floor space
Calf raised for veal	fully extend their limbs. ^b 	43 square feet of floor space	Unchanged (43 square feet)
a Current law and Proposition 12 both include some exceptions to minimum space requirements.			

Bans the Sale of Products That Do Not Meet New Housing Standards. The measure also makes it illegal for businesses in California to knowingly sell eggs (including liquid eggs) or uncooked pork or veal that came from animals housed in ways that do not meet the measure's requirements. This sales ban applies to products from animals raised in California or outof-state. The sales ban generally does not apply to foods that have eggs, pork, or veal as an ingredient or topping (such as cookie dough and pizza). Violation of the housing requirements or sales ban would be a misdemeanor, and a violation of the sales ban could also be subject to a fine in civil court. This measure also requires CDFA and the California Department of Public Health to write regulations to implement its requirements.

FISCAL EFFECTS

Consumer Prices Likely to Increase. This measure would likely result in an increase in prices for eggs, pork, and veal for two reasons. First, this measure would result in many farmers having to remodel or build new housing for animals—such as by installing cage-free housing for hens. In some cases, this housing also could be more expensive to run on an ongoing basis. Much of these increased costs are likely to be passed through to consumers who purchase the products.

Second, it could take several years for enough farmers in California and other states to change their housing systems to meet the measure's requirements. If in the future farmers cannot produce enough eggs, pork, and veal to meet the demand in California, these shortfalls would lead to an increase in prices until farmers can meet demand.

As discussed above, many companies have announced that they are moving towards requiring that their food suppliers give farm animals more space to move around (such as by buying only cage-free eggs). To the extent that this happens, some of the price increases described above would have occurred anyway in future vears.

Small Reduction in State Government Revenues. Because

this measure would increase costs for some California farmers who produce eggs, pork, and veal, some of them could choose to stop or reduce their production. To the extent this happens, there could be less state income tax revenues from these farm businesses in the future. The reduction statewide likely would not be more than several million dollars each year.

State Oversight Costs. CDFA would have increased workload to enforce this measure. For example, the department would have to check that farmers in California and other states that sell to California use animal housing that meets the measure's requirements. CDFA would also make sure that products sold in California comply with the measure's requirements. The cost of this additional workload could be up to \$10 million annually.

Visit http://www.sos.ca.gov/campaign-lobbying/cal-accessresources/measure-contributions/2018-ballot-measurecontribution-totals/for a list of committees primarily formed to support or oppose this measure. Visit http://www.fppc. ca.gov/transparency/top-contributors/nov-18-gen.html to access the committee's top 10 contributors.

If you desire a copy of the full text of the state measure, please call the Secretary of State at (800) 345-VOTE (8683) or you can email vigfeedback@sos.ca.gov and a copy will be mailed at no cost to you.

^b State regulations generally require 0.8 square feet of floor space per egg-laying hen. There are no similar regulations for breeding pigs or calves raised for veal.

^C Cage-free includes indoor housing systems that provide 1 to 1.5 square feet of floor space per hen and allow hens to move around inside a building.

★ ARGUMENT IN FAVOR OF PROPOSITION 12 ★

YES ON PROP. 12—STOP ANIMAL CRUELTY

The Humane Society of the United States, ASPCA, and nearly 500 California veterinarians endorse Prop. 12. Voting YES prevents baby veal calves, mother pigs, and egg-laying hens from being crammed inside tiny cages for their entire lives. It will eliminate inhumane and unsafe products from these abused animals from the California marketplace. Voting YES reduces the risk of people being sickened by food poisoning and factory farm pollution, and helps family farmers.

VOTE YES ON PROP. 12 TO:

PREVENT CRUELTY TO ANIMALS. It's cruel to confine a baby calf in a tiny cage. Taken away from his mother shortly after birth, he's confined in that abusive way until he's sent to slaughter—at just four months old.

A mother pig shouldn't be locked in a tiny, metal cage where she can barely move. She's trapped, forced to live in this small amount of space for *nearly four years*. It's wrong to cram a hen tightly in an overcrowded, wire cage for her entire life. She's forced to eat, sleep, defecate, and lay eggs in the same small space every single day.

PROTECT OUR FAMILIES FROM FOOD POISONING AND FACTORY FARM POLLUTION. In the past decade, there have been recalls of nearly a billion eggs from caged chickens because they carried deadly Salmonella. Scientific studies repeatedly find that packing animals in tiny, filthy cages increases the risk of food poisoning. Even *Poultry World*, a leading egg industry publication admitted, "Salmonella thrives in caged housing." That's why the Center for Food Safety and National Consumers League both endorse YES on Prop. 12. The American Public Health Association called for a moratorium on new animal confinement operations because they pollute the air and ground water, and diminish the quality of life for nearby homeowners.

HELP FAMILY FARMERS AND GROW THE CALIFORNIA ECONOMY. Mega-factory farms that cage animals cut corners and drive family farmers out of business. By voting YES on Prop. 12 we can create sensible standards that keep family farmers in business—and allow them to grow. Since cage-free farms employ more workers, this measure would create *more jobs* for hardworking farming

That's why California family farmers and the United Farm Workers endorse Prop. 12.

A COMMON-SENSE REFORM

- Prop. 12 strengthens a decade-old animal cruelty law and provides ample phase-in time for producers to shift to cage-free practices.
- Over 200 major food companies like Walmart, McDonald's, Taco Bell, Burger King, Safeway, and Dollar *Tree* have committed to using cage-free products.
- A dozen states have passed laws addressing the cruel caging of farm animals.
- The YES vote is endorsed by Catholic, Presbyterian, Episcopal, Methodist, Jewish, Evangelical, and Unitarian faith leaders, and local animal shelters across California. We wouldn't force our dog or cat to live in a filthy, tiny cage for her whole life; we shouldn't allow any animal to endure such suffering either. All animals, including farm animals, deserve protection from cruelty and abuse.

www.YesOn12CA.com

Farm Forward

CRYSTAL MORELAND, California State Director The Humane Society of the United States DR. JAMES REYNOLDS, DVM, MPVM, DACAW, Professor of Large Animal Medicine and Welfare Western University College of Veterinary Medicine **ANDREW DECORIOLIS, Director of Strategic Programs and** Engagement

\star rebuttal to argument in favor of proposition 12 \star

Proposition 12 is a cruel betrayal of animals and voters. The argument for Proposition 12 consists entirely of platitudes, and it avoids any mention of United Egg Producers, the *acceptance* of CAGES through at least 2022, allowing just ONE SQUARE FOOT of space per hen, or any other specifics about what the initiative actually does.

In other words, the scandal-ridden Humane Society of the United States is back to its old tricks.

The same group that said California hens would be cage free by 2015, that Michael Vick would be a "good pet owner," that embraces SeaWorld, and lost millions of dollars in a Racketeer Influenced and Corrupt Organizations Act lawsuit, is back.

HSUS is again promising to ban egg-industry cages even though it famously spent the last decade claiming that it already did!

Meanwhile, they're attacking whistleblowers.

"We know when a charity fails the most basic obligations of trust. Instead of attacking women who've suffered

abuse, HSUS should change its own culture."—National Organization of Women

When women mobilized against the toxic culture at HSUS, it stemmed from multiple allegations of sexual harassment and misconduct against Proposition 12's chief architect, now former CEO, Wayne Pacelle. HSUS's first response was to question the women's integrity.

That tactic is now being used against conscientious animal advocates opposed to Proposition 12.

The inescapable reality is this: If not for HSUS's negligence, California hens would be cage-free at this very moment. Let's not fall for the same trick—twice.

www.StopTheRottenEggInitiative.org

MARK EMERSON, Advisory Board Member Californians Against Cruelty, Cages, and Fraud

ERIC MILLS, Coordinator Action for Animals

PETER T. BROWN, Advisory Board Member Friends of Animals

★ ARGUMENT AGAINST PROPOSITION 12 ★

Vote NO: Prevent Cruelty, Cages, and Fraud.

The DC-based Humane Society of the United States (HSUS) is once again buying its way onto California's ballot, deceiving voters, flip-flopping on the issue of cages, and perpetuating the suffering of millions of egglaying hens.

Falsely promoted as a "cage-free" measure, Proposition 12, in fact, explicitly *legalizes* the continued use of egg-factory cages for years to come.

Proposition 12 is the result of a public relations alliance between HSUS and the egg industry's national trade association, United Egg Producers.

At taxpayer expense, they are misusing California's initiative process in order to replace our current henhousing law with the guidelines of United Egg Producers. Proposition 12 legalizes the cruel cages Californians overwhelmingly voted to prohibit ten years ago.

California's current law (Prop. 2) states that egg-laying hens be given enough room to:

". . . fully spread both wings without touching the side of an enclosure or other egg-laying hens."

Proposition 12 would *repeal* that voter-enacted law in order to allow egg factories to provide each hen with just *ONE SQUARE FOOT* of cage or floor space.

Proposition 12 is a cruel betrayal of farm animals and of California voters.

Due to the negligent drafting of 2008's Prop. 2, millions of egg-laying hens *still* suffer in egg-factory cages throughout California.

Nevertheless, the egg-buying public has been told repeatedly that Prop. 2 successfully "banned" those cages. For an entire decade that has been HSUS's most cherished promotional claim.

Now, without so much as a passing mention that *California was supposed to be cage free by 2015*—proponents are back with yet another set of false promises.

Only this time they say Californians will have to wait for the year 2022! And even that date is tentative. Proposition 12 was expressly written to allow the Legislature to make changes at any time without the consent of voters.

Proposition 12 does nothing to help pigs or calves. For misdirection, the very same people who botched Prop. 2, and who promised that California would be "cage-free" by 2015, are now claiming that Proposition 12 will regulate the practices of *out-of-state* pork and veal producers. No one should fall for that ploy. Even in the unlikely event that Proposition 12's constitutionally flawed provisions survive the inevitable years of legal challenges (the defense of which comes at *taxpayer* expense), Congress is already advancing legislation to render all such interstate regulations null and void.

And while claiming to regulate *other* states, Proposition 12 *allows* the cruel confinement of dairy calves right here in California!

Proposition 12 is a reckless exploitation of California's initiative process which not only harms farm animals, but it also puts in grave danger a wide array of existing consumer, animal, and environmental protection laws.

This rotten egg initiative should be decisively rejected. Find out why People for the Ethical Treatment of Animals; Friends of Animals; the Humane Farming Association; Californians Against Cruelty, Cages, and Fraud; and many others all OPPOSE Proposition 12.

Please visit: www.NoOnProposition12.org

BRADLEY MILLER, President Humane Farming Association (HFA)

PETER T. BROWN, Advisory Board Member Friends of Animals (FoA)

LOWELL FINLEY, Treasurer

Californians Against Cruelty, Cages, and Fraud

\star REBUTTAL TO ARGUMENT AGAINST PROPOSITION 12 \star

YES on Prop. 12 stops the cruel and inhumane treatment of farm animals. That's why the most trusted voices on animal cruelty, sustainable farming, and food safety endorse YES on Prop. 12: nearly 500 California veterinarians, California family farmers, California animal shelters, ASPCA, Humane Society of the United States, Center for Food Safety, United Farm Workers, and National Consumers League.

The fringe group opposing Prop. 12—the so-called "Humane Farming Association"—has a history of joining polluting factory farms in opposing animal cruelty laws and has been supported by animal fighters, with one underground publication boasting that HFA's attack on animal protection charities "helps the cockfighters!"

The facts: A decade ago, Californians overwhelmingly passed a law giving farm animals more space. It led many egg and pork producers to phase-out cages, and McDonald's, Safeway, Burger King, and hundreds of other companies to start switching to cage-free products. But some factory farms—including those opposing Prop. 12—have found ways around the law and still

confine animals in cages. That's exactly why Prop. 12 is needed.

Prop. 12 *strengthens* cruelty laws by providing improved protections, including better living conditions, minimum space requirements, and cage-free housing, with a phase-in timetable that safeguards family farmers.

As the ballot language clearly shows, Prop. 12 prevents the extreme confinement of egg-laying hens, *and* veal calves, and pigs. *These animals deserve protection from abuse*.

YES for humane treatment of farm animals. YES for food safety. YES for family farmers. YES for mercy and common sense.

www.YesOn12CA.com

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