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By: Representatives Anderson (122nd), To: Marine Resources Felsher

HOUSE BILL NO. 602 (As Sent to Governor)

AN ACT TO AMEND SECTION 69-1-55, MISSISSIPPI CODE OF 1972, TO EXPAND THE COUNTRY OF ORIGIN LABELING LAW FOR CRAWFISH AND SHRIMP TO MAKE IT APPLICABLE TO CRAWFISH AND SEAFOOD, WHICH MEANS SALTWATER FINFISH, CRUSTACEANS, MOLLUSCAN SHELLFISH AND OTHER FORMS OF SALTWATER AQUATIC ANIMAL LIFE WHERE SUCH AQUATIC ANIMAL 5 LIFE IS INTENDED FOR HUMAN CONSUMPTION; TO DEFINE CERTAIN TERMS; 7 TO PROVIDE THE DESIGNATIONS THAT MUST BE PROVIDED ON ANY CRAWFISH 8 OR SEAFOOD LABEL, MENU, SALES DISPLAY OR OTHER ADVERTISEMENT; TO 9 REQUIRE SUPPLIERS OF CRAWFISH AND SEAFOOD TO MAINTAIN CERTAIN 10 RECORDS; TO PROVIDE THAT THE DEPARTMENT OF AGRICULTURE AND COMMERCE AND THE DEPARTMENT OF MARINE RESOURCES SHALL HAVE 11 12 COLLECTIVE REGULATORY AUTHORITY OVER THE CRAWFISH AND SEAFOOD LABELS; TO PROVIDE PENALTIES FOR VIOLATING THE CRAWFISH AND SEAFOOD COUNTRY OF ORIGIN LABELING REQUIREMENTS; TO ESTABLISH AND 14 1.5 EMPOWER THE MISSISSIPPI SEAFOOD MARKETING TASK FORCE TO STUDY AND 16 MAKE RECOMMENDATIONS REGARDING SEAFOOD MARKETING AND SEAFOOD 17 PRODUCTION IN THE WATERS OF MISSISSIPPI; TO PROVIDE FOR THE 18 COMPOSITION OF THE TASK FORCE; TO PROVIDE FOR THE ORGANIZATION OF 19 THE TASK FORCE; TO PROVIDE FOR A REPORT WITH RECOMMENDATIONS; AND 20 FOR RELATED PURPOSES. 21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 22 **SECTION 1.** Section 69-1-55, Mississippi Code of 1972, is amended as follows: 23 24 69-1-55. (1) * * * It shall be unlawful for any person, 25 firm or corporation, within this state who is a wholesaler, 26 processor, retailer, or food service establishment that sells imported crawfish or \star \star seafood to misrepresent to the public, 27 ~ OFFICIAL ~ H. B. No. 602 G1/225/HR43/R1830SG

28	either verbally, on a menu, or on a sign displayed on the
29	premises, that the imported crawfish or * * * $\underline{\text{seafood}}$ is domestic.
30	(2) For purposes of this section, the following words and
31	phrases shall have the meanings as defined herein unless the
32	<pre>context clearly indicates otherwise:</pre>
33	(a) "Collective agencies" means the Mississippi
34	Department of Agriculture and Commerce and the Mississippi
35	Department of Marine Resources.
36	(b) "Country of origin" means the country where a
37	seafood or crawfish is derived, hatched, born, raised, harvested
38	and processed. If the seafood or crawfish is derived, hatched,
39	born, raised, harvested or processed in different countries, the
40	term includes each country.
41	(c) "Food service establishment" means any place,
42	vehicle or vessel where food is prepared, stored, held,
43	transported, served or dispensed to consumers and which is
44	regulated by the collective agencies. The term includes any such
45	place regardless of whether the food sold is intended for
46	on-premises or off-premises consumption.
47	(d) "Label" means a display of written, printed or
48	graphic matter upon or affixed to the container in which a seafood
49	or crawfish product is offered for direct retail sale.
50	(e) "Menu" means any listing of food and/or beverage
51	options for a diner or customer to select from regardless of its

form.

54	corporation and association or other legal entity.
55	(g) "Processor" means any person or entity engaged in
56	handling, storing, preparing, manufacturing, packing or holding
57	seafood or crawfish products.
58	(h) "Retailer" means any person or entity offering fo
59	sale seafood or crawfish products to food service establishments
60	and to individual consumers. Retailer includes food service
61	establishments unless otherwise stated herein.
62	(i) "Seafood" means saltwater finfish, crustaceans,
63	molluscan shellfish and other forms of saltwater aquatic animal
64	life where such aquatic animal life is intended for human
65	consumption. The term seafood shall not include catfish as
66	defined in Section 69-7-605.
67	(j) "Wholesaler" means any person or entity offering
68	for sale any seafood or crawfish product destined for direct
69	retail sale.
70	$(***\underline{3})$ A * * * wholesaler, processor, retailer or food
71	<pre>service establishment * * * shall designate a * * * seafood or</pre>
72	crawfish as having * * * $\frac{1}{2}$ one (1) of the following * * *
73	designations:
74	* * *
75	(* * \star <u>a</u>) <u>"Domestic" if</u> the * * * <u>seafood</u> or crawfish
76	is harvested, hatched or raised in the waters of the United
77	States, a state or a territory of the United States and processed

(f) "Person" means any individual, partnership,

78	in the	United	States,	а	state	or	а	territory	7 of	the	United

- 79 States * * *; or
- 80 (b) "Imported" if the seafood or crawfish is harvested
- 81 in waters outside of the territorial waters of the United States,
- 82 a state or a territory outside of the territorial waters of the
- 83 United States, or is hatched, raised, harvested and/or processed
- 84 outside of the United States. If any imported seafood or crawfish
- 85 product is added to or mixed with domestic product, the seafood or
- 86 crawfish must then be classified as "imported" product.
- 87 (4) If the seafood or crawfish originated in a foreign
- 88 country outside of the territorial waters of the United States,
- 89 the wholesaler, processor, retailer or food service establishment
- 90 shall identify the product as "imported" on the label, menu, sales
- 91 display or any other form of advertisement, in a font that is at
- 92 least the same size as the name of the seafood or crawfish being
- 93 sold or promoted. The seafood or crawfish served or provided
- 94 shall be what is advertised or sold.
- 95 (5) If a wholesaler, processor, retailer or food service
- 96 establishment offers for sale only domestic seafood, then the
- 97 wholesaler, processor, retailer or food service establishment may
- 98 disclose this in a prominent location on the premises. In the
- 99 case of a food service establishment, this disclosure may be in
- 100 lieu of disclosure on the menu.
- 101 (6) Any individual or entity who supplies seafood or
- 102 crawfish to a wholesaler, processor, retailer or food service

103	establishment shall maintain a verillable record-keeping addit
104	trail that permits the collective agencies to verify compliance
105	with this law and any regulations promulgated hereunder. The
106	supplier shall provide documentation to the wholesaler, processor,
107	retailer or food service establishment indicating the country of
108	origin of the seafood or crawfish.
109	(* * $\frac{*7}{}$) (a) The * * * collective agencies shall regulate
110	* * * wholesalers, processors, retailers and food service
111	<u>establishments</u> under this section.
112	(b) * * * The collective agencies shall adopt rules and
113	regulations in accordance with the Administrative Procedures Act
114	as are necessary to enforce the provisions of this section.
115	(c) The collective agencies shall have authority to
116	enter the premises of any wholesaler, processor, retailer or food
117	service establishment to collect samples of seafood or crawfish
118	for laboratory testing to test for species identification and/or
119	any other testing as may be necessary to determine compliance with
120	this section.
121	(* * * <u>8</u>) * * * (a) Any wholesaler, processor, retailer or
122	food service establishment, who violates or fails or refuses to
123	comply with any provision of this chapter or regulation adopted
124	pursuant to this chapter in relation to seafood or crawfish, may
125	be subject to civil penalties to be assessed and levied by the
126	collective agencies after a finding by the collective agencies
127	that a violation has occurred. Violations pertaining to different

128	types of seafood or crawfish may be charged as separate
129	violations. Any subsequent violations charged after a three (3)
130	day written notice has been provided may be processed as a new
131	violation and a new three (3) day notice period shall not be
132	required. In addition to assessing civil penalties, the
133	collective agencies may suspend or revoke licenses which are
134	subject to their jurisdiction, for any operation which is subject
135	to the maximum penalty of Ten Thousand Dollars (\$10,000.00).
136	Appeals of any action or decision to the collective agencies may
137	be taken as provided in Section 49-15-401 et seq. for complaints
138	relating to seafood and as provided in Section 69-7-616 for
139	complaints relating to crawfish.
140	(b) Civil penalties shall be assessed as follows:
141	(i) First Violation. The wholesaler, processor,
142	retailer or food service establishment shall be notified in
143	writing and given three (3) days to correct the violation. No
144	penalties under this act shall apply to any wholesaler, processor,
145	retailer or food service establishment that corrects the first
146	violation within three (3) days from the date of notification.
147	Failure to correct the violation within three (3) days shall
148	result in a violation with a fine in the amount of not less than
149	Five Hundred Dollars (\$500.00) or more than One Thousand Dollars
150	(\$1,000.00); and

151	(ii) Second Violation. Not less than One Thousand
152	Dollars (\$1,000.00) or more than Two Thousand Dollars (\$2,000.00);
153	<u>and</u>
154	(iii) Third Violation. Not less than Three
155	Thousand Dollars (\$3,000.00) or more than Five Thousand Dollars
156	(\$5,000.00); and
157	(iv) Fourth and Subsequent Violations. Not less
158	than Ten Thousand Dollars (\$10,000.00).
159	(c) Any wholesaler, processor, retailer or food service
160	establishment that knowingly violates any provision of this
161	chapter, rule or regulation, shall be guilty of a misdemeanor and
162	upon conviction, may be subject to a fine of not more than Ten
163	Thousand Dollars (\$10,000.00), or by imprisonment in the county
164	jail for not more than six (6) months, or by both.
165	(d) Any wholesaler, processor, retailer or food service
166	establishment that unknowingly violates this section due to a good
167	faith reliance upon the supplier's documentation of the seafood or
168	crawfish's country of origin shall be held harmless against
169	penalties from a violation of this section.
170	(e) Any good faith reliance claim must be supported by
171	the appropriate evidence of the documentation from the supplier.
172	(f) Any person against whom a complaint is made or who
173	has been made subject to a fine or license suspension as provided
174	by this subsection may avail himself of a due process
175	administrative hearing as provided by Section 69-7-616 for

176	complaints related to crawfish and Section 49-15-401 et seq. for
177	complaints related to seafood.
178	(g) All fines and other monies collected pursuant to
179	violations related to seafood under this section shall be
180	distributed to the Mississippi Department of Marine Resources and
181	deposited into the Seafood Fund for promotion of the domestic
182	seafood market and implementation, enforcement and administration
183	of this section. Fines and monies collected pursuant to
184	violations related to crawfish under this section shall be
185	distributed to the Mississippi Department of Agriculture and
186	Commerce for implementation, enforcement and administration of
187	this section.
188	SECTION 2. (1) For purposes of this section:
189	(a) "Seafood" means shrimp, crawfish, saltwater
190	finfish, crustaceans, molluscan shellfish and other forms of
191	saltwater aquatic animal life where such aquatic animal life is
192	intended for human consumption. The term seafood shall not
193	include catfish as defined in Section 69-7-605.
194	(b) "Label" means a display of written, printed or
195	graphic matter upon or affixed to the container in which a seafood
196	product is offered for direct retail sale.
197	(2) (a) There is hereby established the Mississippi Seafood
198	Marketing Task Force to study and make recommendations to the
199	Legislature and the Mississippi Department of Marine Resources and
200	the Mississippi Department of Agriculture and Commerce regarding

201	the	regulation	of	seafood	marketing	and	seafood	testing,	for	the

- 202 maximization of benefit from that industry for the State of
- 203 Mississippi and its citizens.
- 204 (b) The Task Force shall be composed as follows:
- 205 (i) The Governor or his designee;
- 206 (ii) The Executive Director of the Mississippi
- 207 Department of Marine Resources or his designee;
- 208 (iii) The Commissioner of Agriculture and Commerce
- 209 or his designee;
- 210 (iv) The Executive Director of the Mississippi
- 211 Gaming Commission or his designee;
- 212 (v) A representative of the Mississippi Restaurant
- 213 Association;
- 214 (vi) The Director of the Division of Tourism or
- 215 his designee;
- 216 (vii) A person with a valid commercial fisherman's
- 217 license appointed by the Governor; and
- (viii) A person who is an active shrimp or seafood
- 219 processor appointed by the Governor.
- (c) The Task Force shall meet upon the call of the
- 221 Executive Director of the Department of Marine Resources not later
- 222 than thirty (30) days after passage of this act, and organize for
- 223 business by electing a Chairman and Secretary, and adopting
- 224 necessary bylaws. The Department of Marine Resources shall
- 225 provide necessary administrative and clerical support for the Task

226	Force.	The	Task	Force	may	hold	meetings	and	hold	public	hearing	S
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- 227 as necessary to carry out its duties and responsibilities.
- 228 (d) The Task Force is hereby charged with
- 229 responsibility for the following:
- 230 (i) To study and make recommendations with respect
- 231 to domestic and imported seafood;
- 232 (ii) To study and make recommendations with
- 233 respect to the seafood industry and seafood production;
- 234 (iii) To study and make recommendations with
- 235 respect to markets and marketing strategies for the development
- 236 and expansion of markets for seafood harvested from Mississippi
- 237 waters; and
- 238 (iv) To perform any acts deemed necessary and
- 239 proper to carry out its duties and responsibilities.
- 240 (e) The activities of the Mississippi Seafood Marketing
- 241 Task Force shall be funded through any funds made available by
- 242 appropriation of the Legislature.
- 243 (f) The Task Force shall develop and make a report with
- 244 recommendations for necessary legislation to the Governor,
- 245 Legislature and affected state agencies on or before January 1,
- 246 2027, and on the completion of its report, the Task Force shall
- 247 stand dissolved.
- 248 **SECTION 3.** This act shall take effect and be in force from
- 249 and after July 1, 2025.