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House GMO Labeling Hearing Should Provide Useful 2015 Preview

- A House Energy and Commerce Committee hearing tomorrow on GMO labeling legislation and regulation, featuring witnesses from the FDA and the Vermont state legislature, should provide several useful insights on how the labeling debate may play out in 2015. The hearing takes place as Oregon is finalizing a recount of its state labeling ballot measure this week, which we continue to believe will fail.
- We see see the committee's year-end focus on a key industry-backed bill (HR 4432) to establish voluntary federal GMO labeling rules that would preempt onerous state mandatory labeling measures as an indicator that the legislation could move in the House next year. We'll be watching to judge members' commitment to the issue and the resistance they may face from Democrats who've opposed the legislation.
- The hearing could also provide some perspective on the industry lawsuit to block the Vermont labeling law and potential timing around voluntary GMO labeling guidance FDA proposed in 2001, as we discuss in the full note.

The House Energy and Commerce Committee's Health Subcommittee will meet tomorrow (12/10) at 10:15am ET to discuss FDA genetically modified ingredient labeling oversight. It will also cover a bipartisan industry-backed House bill (HR 4432) that would require FDA to establish voluntary GMO labeling guidelines, preempting mandatory state labeling laws - webcasthere. The hearing takes place as Oregon is finalizing a recount of its state labeling ballot measure, which we continue to believe will fail.

We've questioned whether HR 4432 could pass given how difficult it is to move any one-off issue through the gridlocked Congress, but the late-breaking hearing could signal that E&C intends to prioritize the bill next year. Committee movement would increase the bill's chances of being attached to larger legislation "must pass"

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legislation, so the hearing should be useful to help judge members' commitment to the issue and what resistance they may face. Movement on HR 4432 would be a key positive for the food, beverage and biotech sectors, as we continue to believe industry will face an expensive uphill fight against state labeling initiatives until/unless a federal bill passes.

Members are also likely to pressure FDA to finalize voluntary GMO labeling guidance the agency proposed in 2001. Although legislation would be necessary for the guidance to preempt state labeling laws, FDA standards would provide a useful tool to help industry lobby against mandatory state proposals. We also expect pro-industry members to ask witness Michael Landa, FDA's Center for Food Safety and Applied Nutrition Director, to reaffirm the agency's standing position that mandatory labeling for GM ingredients is unnecessary since there's no evidence genetically modified food are unsafe.

We doubt FDA would move faster under Congressional pressure or otherwise change whatever course it may take on GMOs, but Landa could give some indication on possible timing. The hearing also includes witnesses from the Kansas Farm Bureau and the Snack Food Association, who are likely to emphasize GMO safety and the potential consumer and commodity cost increases that states' mandatory labeling measures could bring about.

On the pro-labeling side, members will hear from Kate Webb, a member of the Vermont House of Representatives leadership who was instrumental in passing the state's labeling law and Scott Faber with the Environmental Working Group. Webb is likely to give some useful perspective on the state's defense against an industry suit against the Vermont labeling law lead by the Grocery Manufacturers Association (GMA) that could be scheduled for opening arguments by the end of the year. Interestingly, Faber is a former GMA executive who now helps lead much of the pro-labeling groups' federal efforts.

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