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**SB-1117 Organic products.** (2023-2024)

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**Senate Bill No. 1117**

**CHAPTER 456**

An act to amend Sections 46003.2, 46004.1, 46013.1, 46013.2, 46016.1, 46016.3, 46016.4, 46017, 46018.1, 46020, 46021, 46022, 46027, and 46028 of, and to repeal Section 46003.5 of, the Food and Agricultural Code, relating to food and agriculture.

[ Approved by Governor September 22, 2024. Filed with Secretary of State September 22, 2024. ]

**LEGISLATIVE COUNSEL'S DIGEST**

SB 1117, Laird. Organic products.

(1) Existing law, the California Organic Food and Farming Act, requires the Secretary of Food and Agriculture and county agricultural commissioners to enforce state and federal laws governing the production, labeling, and marketing of organic products, as specified. Existing law authorizes, to the extent that funds are available, the secretary, in consultation with the California Organic Products Advisory Committee, to establish procedures for and conduct specified activities, including conducting periodic spot inspections and conducting periodic prohibited substance testing on products labeled as organic. Existing law also authorizes the secretary and county agricultural commissioners to conduct a program of spot inspections to determine compliance with the act.

This bill would authorize the secretary to establish procedures for and conduct announced and unannounced periodic spot inspections and collect samples to conduct periodic substance testing on products labeled as organic and would prohibit any charge to the inspector or investigator for the samples taken. The bill would authorize the secretary and county agricultural commissioners to conduct a program of announced and unannounced spot inspections.

(2) Existing law requires every person engaged in the state in the processing or handling of specified products for human consumption that are sold as organic to register with the secretary or the State Public Health Officer and to pay a registration fee pursuant to a fee schedule based on total gross sales by the registrant of the product, as specified. Existing law authorizes the secretary to lower the amounts specified in the fee schedule by regulation. Existing law makes it unlawful for a person to produce or handle a product sold as organic unless duly registered. Existing law makes a violation of the provisions relating to organic products a crime.

This bill would also require a person who takes title of an organic product that is outside the jurisdiction of the State Public Health Officer, packs, repacks, labels, sorts, or otherwise handles the product, and provides only handling services for the product, to register and pay a fee according to the fee schedule, as specified. The bill would instead make it unlawful for a person to sell, advertise, label, or otherwise represent any product as organic unless duly registered. By expanding the scope of a crime, the bill would impose a state-mandated local program.

(3) Existing law requires a registrant to notify the secretary of a change of information reported on the registration form within a reasonable time and requires the secretary, to the extent funds are available, to establish procedures for handling complaints.

Existing law authorizes a person to appeal to the secretary for a hearing for the denial or revocation of any registration. Existing law requires an appeal to be submitted to the secretary in writing within 30 days from the date of the action or the letter proposing the action.

This bill would change the time frames for the above-described procedures and appeals, as specified. The bill would also authorize a person to appeal to the secretary for a hearing under specified federal regulations and for the suspension of any registration. The bill would provide that an adverse action becomes final and nonappealable unless an appeal is timely filed.

(4) Existing law authorizes, in lieu of prosecution, the secretary or a county agricultural commissioner to levy a civil penalty in a specified amount of not more than \$5,000 against a person under the secretary's enforcement jurisdiction who violates this act or implementing regulations.

This bill would authorize, notwithstanding these penalties, the secretary or county agricultural commissioner to levy a civil penalty in an amount not more than an amount specified under federal law, if they find that a person or responsibly connected person knowingly sells or labels a product as organic in violation of the act or implementing regulations. The bill would provide that a person who makes a false statement under the act to the secretary, a state organic program governing official, or an accredited certifying agent is subject to specified fines or imprisonment under federal law.

(5) Existing law, unless a different penalty is expressly provided, makes a violation of any provision of the Food and Agricultural Code a misdemeanor.

Because the above provisions would be part of that code, the violation of which would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

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## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 46003.2 of the Food and Agricultural Code is amended to read:

**46003.2.** (a) To the extent that funds are available, the secretary, in consultation with the California Organic Products Advisory Committee, may establish procedures for and conduct all of the following activities:

- (1) Receive and investigate complaints filed by any person concerning suspected acts of noncompliance with this act or federal organic standards.
- (2) Conduct periodic announced and unannounced spot inspections.
- (3) Collect samples to conduct periodic substance testing on products labeled as organic. There shall be no charge to the inspector or investigator for the samples taken.
- (4) Conduct farmers' market inspections.
- (5) Support organic agriculture through education, outreach, and other programmatic activities.
- (6) Reimburse investigation, enforcement, and market surveillance expenses, including expenses incurred by any county agricultural commissioner for actions conducted pursuant to this chapter.
- (7) Conduct hearings, appeals, mediation, or settlement conferences from actions taken to enforce this chapter.

(b) Investigation, inspection, and prohibited material testing reports shall be forwarded to the secretary for any required enforcement action.

(c) The secretary shall coordinate activities authorized under this section with other county and state licensing, registration, inspection, and fee collection procedures applicable to registrants.

**SEC. 2.** Section 46003.5 of the Food and Agricultural Code is repealed.

**SEC. 3.** Section 46004.1 of the Food and Agricultural Code is amended to read:

**46004.1.** Unless defined pursuant to the National Organic Program (NOP), the following words and phrases, when used in this act, shall have the following meanings:

(a) "Accredited certification agency" means an entity accredited by the United States Department of Agriculture to certify operations as compliant with the federal organic standards.

(b) "Act" means the California Organic Food and Farming Act. It also means the federal Organic Foods Production Act of 1990 (7 U.S.C. Sec. 6501 et seq.) and the regulations adopted pursuant to the federal Organic Foods Production Act of 1990 (7 U.S.C. Sec. 6501 et seq.).

(c) "Categorical products" means categories of products of like commodity, such as apples, salad products, etc., and does not require variety-specific information.

(d) "Certified operation" means a crop or livestock production or a wild crop harvesting or handling operation, or a portion of that operation, that is certified organic by an accredited certification agency as using a system of organic production or handling, as described by the federal Organic Foods Production Act of 1990 (7 U.S.C. Sec. 6501 et seq.) and implemented pursuant to the National Organic Program.

(e) "Data" means the information provided annually by persons registered under the act, including certified organic acreage and gross sales of certified organic products.

(f) "Director" means the director and State Public Health Officer for the State Department of Public Health.

(g) "Enforcement authority" means the governmental unit with primary enforcement jurisdiction, as provided in Section 46008.

(h) "Exempt handler" means a handling operation exempt from certification under federal organic standards that sells agricultural products as "organic" but whose gross agricultural income from organic sales totals five thousand dollars (\$5,000) or less annually, that only handles agricultural products that contain less than 70 percent organic ingredients, as described in Section 205.301(d) of Title 7 of the Code of Federal Regulations, or that only identifies organic ingredients on the information panel.

(i) "Exempt operation" means a production or handling operation, retail establishment, or broker that sells agricultural products but is exempt from certification under federal organic standards.

(j) "Exempt producer" means a production operation that sells agricultural products as "organic" but whose gross agricultural income from organic sales totals five thousand dollars (\$5,000) or less annually. An "exempt producer" is exempt from certification under federal organic standards.

(k) "Federal organic standards" means the federal regulations governing production, labeling, and marketing of organic products as authorized by the federal Organic Foods Production Act of 1990 (7 U.S.C. Sec. 6501 et seq.) and implemented pursuant to the National Organic Program (7 C.F.R. Sec. 205.1 et seq.), and any amendments to the federal act or regulations made subsequent to the enactment of this chapter.

(l) "Handle" means to sell, process, or package agricultural products, and includes, but is not limited to, trading, facilitating a sale or trade on behalf of a seller or oneself, importing to the United States, exporting for sale in the United States, combining, aggregating, culling, conditioning, treating, packing, containerizing, repackaging, labeling, storing, receiving, and loading.

(m) "Handler" means a person who handles agricultural products, except final retailers of agricultural products that do not process agricultural products.

(n) "Handling operation" means an operation that handles agricultural products, except final retailers of agricultural products that do not process agricultural products.

(o) "Inspection" means the act of examining and evaluating production or handling operation to determine compliance with state and federal law.

(p) "National Organic Program" or "NOP" means the National Organic Program established pursuant to the federal Organic Foods Production Act of 1990 (7 U.S.C. Sec. 6501 et seq.) and the regulations adopted for implementation.

(q) "Organic Integrity Database" means the National Organic Program's electronic, web-based reporting tool for the submission of data, completion of certificates of organic operation, and other information, or the tool's successors.

(r) "Person" means an individual, firm, partnership, trust, corporation, limited liability company, company, estate, public or private institution, association, organization, group, city, county, city and county, political subdivision of this state, other governmental agency within the state, and any representative, agent, or agency of any of the foregoing.

(s) "Processing" means cooking, baking, curing, heating, drying, mixing, grinding, churning, separating, extracting, slaughtering, cutting, distilling, fermenting, eviscerating, preserving, dehydrating, freezing, chilling, or otherwise manufacturing, and includes packaging, canning, jarring, or otherwise enclosing food in a container.

(t) "Producer" means a person who engages in the business of growing or producing food, fiber, feed, and other agricultural-based consumer products.

(u) "Prohibited substance" means a substance the use of which in any aspect of organic production or handling is prohibited or not provided for in state or federal laws, including statutes and regulations.

(v) "Residue testing" means an official or validated analytical procedure that detects, identifies, and measures the presence of chemical substances, their metabolites, or degradation products in or on raw or processed agricultural products.

(w) "Retail food establishment" means a restaurant, delicatessen, bakery, grocery store, or any retail business with a restaurant, delicatessen, bakery, bulk food self-service station, salad bar, or other eat-in, carry-out, mail order, or delivery service of raw or processed agricultural products.

(x) "Secretary" means the Secretary of Food and Agriculture.

(y) "State Organic Program" or "SOP" means a state program that meets the requirements of Section 6506 of the federal Organic Foods Production Act of 1990 (7 U.S.C. Sec. 6501 et seq.), is approved by the Secretary of the United States Department of Agriculture, and is designed to ensure that a product that is sold or labeled as organically produced under the federal Organic Foods Production Act of 1990 (7 U.S.C. Sec. 6501 et seq.) is produced and handled using organic methods.

(z) "USDA" means the United States Department of Agriculture.

**SEC. 4.** Section 46013.1 of the Food and Agricultural Code is amended to read:

**46013.1.** (a) Every person engaged in this state in the production or handling of raw agricultural products sold as organic shall register with the secretary before the first sale of the product. All processors of organic agriculturally derived products that are not required to be registered as outlined in subdivision (b) shall register with the secretary. Each registrant shall annually renew the registration with the secretary unless no longer engaged in the activities requiring the registration. An exempt handler, exempt operation, and exempt producer are only exempt from certification under federal organic standards and are still required to be registered with the State Organic Program.

(b) Every person engaged in this state in the processing or handling of processed products pursuant to Section 110460 of the Health and Safety Code, and pet food pursuant to Section 18653, and cosmetics pursuant to Section 111795 of the Health and Safety Code, including processors of alcoholic beverages, fish, and seafood, shall register with the State Public Health Officer.

(c) Registration pursuant to this section shall be on a form either provided by the secretary or approved by the secretary and shall be valid for a period of one calendar year from the date of validation by the secretary of the completed registration form or for a period determined by the secretary to promote coordination with organic certification applications and renewals, organic certification cost share programs, and other state program registration.

(d) The information provided on the registration form shall include all of the following:

(1) The nature of the registrant's business, including the categorical products produced, handled, or processed that are sold as organic. For purposes of registration, organic products shall be reported in accordance with the following specified categories unless the secretary, in consultation with the California Organic Products Advisory Committee, establishes different categories:

(A) Citrus.

(B) Fruits, excluding citrus.

(C) Livestock or dairy.

(D) Nuts.

(E) Vegetables.

(F) Other, which includes, but is not limited to, apiculture, organic fallow ground, herbs, mushrooms, cut flowers, and nursery.

(2) The address or assessor's parcel number of the precise location or locations where the products are produced, processed, or handled.

(3) Sufficient information, under penalty of perjury, to enable the secretary to verify the amount of the registration fee to be paid in accordance with this act.

(4) The names of all certification organizations or governmental entities, if any, providing organic certification to them.

(e) (1) A registration form shall be accompanied by payment of a nonrefundable registration fee by producers, handlers, and processors, which shall be based on total gross sales by the registrant of product sold as organic in the calendar year that precedes the date of registration or, if no sales were made in the preceding year, then based on the expected sales during the 12 calendar months following the date of registration in accordance with the following fee schedule. The secretary, in consultation with the California Organic Products Advisory Committee, may lower the amounts specified in the following fee schedule by regulation.

Gross Sales		Registration Fee	
\$	0– 4,999	\$	25
\$	5,000– 10,000	\$	50
\$	10,001– 50,000	\$	75
\$	50,001– 250,000	\$	100
\$	250,001– 500,000	\$	450
\$	500,001– 1,000,000	\$	750
\$	1,000,001– 2,500,000	\$	1,000
\$	2,500,001– 5,000,000	\$	1,500
\$	5,000,001– 15,000,000	\$	2,000
\$	15,000,001– 25,000,000	\$	2,500
\$	25,000,001– and above	\$	3,000

(2) Producers that sell processed product shall pay fees based on the value of raw product before being processed and the value of any product sold as unprocessed.

(3) A person who (A) does not take title of an organic product that is outside the jurisdiction of the State Public Health Officer, (B) packs, repacks, labels, sorts, or otherwise handles the product, including, but not limited to, trading the product or facilitating the sale or trade of the product on behalf of a seller, and (C) provides only handling services for the product, shall register and pay one hundred dollars (\$100) per year.

(4) A person who (A) takes title of an organic product that is outside the jurisdiction of the State Public Health Officer, (B) packs, repacks, labels, sorts, or otherwise handles the product, including, but not limited to, trading the product or facilitating the sale or trade of the product on behalf of a seller or themselves, and (C) provides only handling services for the product, shall register and pay a fee based on total gross sales of product sold as organic in the calendar year that precedes the date of registration or, if no sales were made in the preceding year, based on the expected sales during the 12 calendar months following the date of registration, in accordance with the fee schedule in paragraph (1).

(5) A person who provides temporary storage of 14 days or less or transportation for an organic product and does not handle the raw unpackaged product does not have to register.

(6) A person required to register pursuant to this section who fits the description of more than one of the persons described above shall pay the greater of the multiple amounts.

(7) The secretary may require any producer, handler, processor, or other organic registrant to provide the exact dollar amount of gross sales of twenty-five million one dollars (\$25,000,001) or more in lieu of the range specified in paragraph (1).

(f) The secretary may adopt regulations that supersede the terms of this section to the extent reasonably necessary to provide an online system of registration for those required to register pursuant to this section.

(g) The adoption, amendment, or repeal of any fee pursuant to this section shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. An order to adopt, amend, or repeal the regulations concerning assessment rates pursuant to this section shall be transmitted within 30 days by the secretary to the Office of Administrative Law. The Office of Administrative Law shall file the order promptly with the Secretary of State without further review pursuant to Article 6 (commencing with Section 11349) of Chapter 3.5 of Part 1 of Division 3 of Title 2 of the Government Code. The order shall do all of the following:

(1) Indicate that the regulations are being adopted, amended, or repealed pursuant to this chapter.

(2) State that the order is being transmitted for filing.

(3) Request that the Office of Administrative Law publish a notice of the filing of the order and print an appropriate reference in Title 3 of the California Code of Regulations.

**SEC. 5.** Section 46013.2 of the Food and Agricultural Code is amended to read:

**46013.2.** (a) To the extent feasible, the secretary, in consultation with the director, shall coordinate the registration and annual fee collection procedures of this section with similar licensing or registration procedures applicable to registrants.

(b) The secretary shall deny a registration submission that is incomplete or not in compliance with this act.

(c) A registrant shall, within 30 days, notify the secretary of any change in the information reported on the registration form and shall pay any additional fee owed if that change results in a higher fee owed than that previously paid.

(d) (1) At the request of any person, the secretary or county agricultural commissioner shall provide the following:

(A) The name and address of the registrant.

(B) The nature of the registrant's business.

(C) The names of all certification organizations or governmental entities, if any, providing certification pursuant to this act.

(2) The secretary or county agricultural commissioner may charge a reasonable fee for the cost of reproducing this information. Except as provided in this subdivision, a registration form is exempt from Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code.

(e) The secretary, in consultation with the California Organic Products Advisory Committee, may suspend the registration program set forth in this section if the secretary determines that income derived from registration fees is insufficient to support a registration enforcement program.

(f) A registration is considered legal and valid until revoked, suspended, or until the expiration of the registration.

(g) The registration revocation process shall be in conjunction with other provisions of this act. The secretary or county agricultural commissioner's office may initiate the revocation process for failure to comply with the NOP or this act. A person against whom the action is being taken shall have the opportunity to appeal the action and be afforded the opportunity to be heard in an administrative appeal. This appeal shall be administered by either the state or county agricultural commissioner's office.

(h) If the registration fee is not paid within 60 days from the expiration date, the account shall be considered closed and the registration voided. A notification shall be sent to the registrant and the certifier, if applicable, notifying them the registrant is no longer able to market products as organic until the account is paid in full.

(i) A producer, handler, processor, or certification agency subject to this chapter that does not pay the fee within 10 days of the date on which the fee is due and payable shall pay a penalty of 10 percent of the total amount determined to be due plus interest at the rate of 1.5 percent per month on the unpaid balance.

**SEC. 6.** Section 46016.1 of the Food and Agricultural Code is amended to read:

**46016.1.** (a) A person may file a complaint with the secretary concerning suspected noncompliance with this act, as provided in Section 46000 or regulations adopted by the NOP.

(b) The secretary shall, to the extent funds are available, establish procedures for handling complaints, including provision of a written complaint form, and procedures for commencing an investigation within five working days after receiving a complaint regarding fresh food, and within seven working days for other products, and completing an investigation and reporting findings and enforcement action taken, if any, to the complainant within 120 days thereafter.

(c) The secretary may establish minimum information requirements to determine the verifiability of a complaint, and may provide for rejection of a complaint that does not meet the requirements. The secretary shall provide written notice of the reasons for rejection to the person filing the complaint.

(d) The secretary shall carry out the functions and objectives of this act to the extent funds are available for those purposes.

(e) The complaint process in this state must also meet all the complaint process outlined in regulations adopted by the NOP.

**SEC. 7.** Section 46016.3 of the Food and Agricultural Code is amended to read:

**46016.3.** A person may appeal to the secretary for a hearing under Section 205.668 of Title 7 of the Code of Federal Regulations or if aggrieved by any one of the following actions or decisions:

- (a) Denial of any registration.
- (b) Suspension of any registration.
- (c) Revocation of any registration.

**SEC. 8.** Section 46016.4 of the Food and Agricultural Code is amended to read:

**46016.4.** The appeal shall be submitted to the secretary in writing within the time period provided in the letter of notification of the adverse action or within 30 days of receipt of the letter of notification of the adverse action, whichever is later. The appeal shall be considered filed on the date the appeal is received by the secretary. An adverse action shall become final and nonappealable unless an appeal is timely filed. The secretary's proceeding shall, insofar as practicable, comply with the Administrative Procedure Act, Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, except that a Department of Food and Agriculture hearing officer may be used.

**SEC. 9.** Section 46017 of the Food and Agricultural Code is amended to read:

**46017.** (a) In lieu of prosecution, the secretary or a county agricultural commissioner may levy a civil penalty against any person under the enforcement jurisdiction of the secretary as provided in Section 46000 who violates this act, or any regulation adopted pursuant to this act, or regulations adopted by the NOP, in an amount not more than five thousand dollars (\$5,000) for each violation. The amount of the penalty assessed for each violation shall be based on the nature of the violation, the seriousness of the effect of the violation on the effectuation of the purposes and provisions of this chapter and the impact of the penalty on the violator, including the deterrent effect on future violations.

(b) (1) Notwithstanding the penalties prescribed in subdivision (a), if the secretary or county agricultural commissioner finds that a person or a responsibly connected person knowingly sells or labels a product as organic, in violation of this act, any regulation adopted pursuant to this act, or regulations adopted by the NOP, the secretary or county agricultural commissioner may levy a civil penalty against the person in an amount that is not more than the amount specified in Section 3.91(b)(1)(xxxvi) of Title 7 of the Code of Federal Regulations for each violation. For purposes of this section, "responsibly connected" has the same meaning as defined in Section 205.2 of Title 7 of the Code of Federal Regulations.

(2) Notwithstanding the penalties prescribed in subdivision (a), if the secretary or county agricultural commissioner finds that a violation was not intentional, the secretary or county agricultural commissioner may levy a civil penalty of not more than two thousand five hundred dollars (\$2,500) for each violation.

(c) For a first offense, in lieu of a civil penalty as prescribed in subdivision (a) or (b), the secretary or county agricultural commissioner may issue a notice of violation if they find that the violation is minor.

(d) A person against whom a civil penalty is proposed shall be afforded an opportunity for a hearing before the secretary or county agricultural commissioner, upon request made in writing within 30 days after the issuance of the notice of penalty. At the hearing, the person shall be given the right to review the secretary's or commissioner's evidence of the violation and the right to present evidence on their own behalf. If no hearing is requested, the civil penalty shall constitute a final and nonreviewable order.

(e) If a hearing is held, review of the final decision of the secretary or county agricultural commissioner may be requested in writing by any person, pursuant to Section 1094.5 of the Code of Civil Procedure within 30 days of the date of the final order of the secretary or county agricultural commissioner.

(f) The secretary shall be entitled to receive reimbursement from any organic operation or person that is found in violation of this chapter for any reasonable attorney's fees and other related costs, including, but not limited to, investigative costs, involved in the enforcement of this chapter.

(g) The secretary shall use all funds received pursuant to this section in accordance with Section 46007.

(h) A civil penalty levied by the secretary pursuant to this section may be recovered in a civil action brought in the name of the state. A civil penalty levied by a county agricultural commissioner pursuant to this section may be recovered in a civil action brought in the name of the county. After the exhaustion of the review procedures provided in this section, a county agricultural commissioner, or their representative, may file a certified copy of a final decision of the commissioner that directs the payment of a civil penalty and, if applicable, a copy of any order that denies a petition for a writ of administrative mandamus with the clerk of

the superior court of any county. Judgment shall be entered immediately by the clerk in conformity with the decision or order. Pursuant to Section 6103 of the Government Code, no fees shall be charged by the clerk of the superior court for the performance of any official service required in connection with the entry of judgment pursuant to this section.

(i) The secretary shall maintain in a central location, and make publicly available for inspection and copying upon request, a list of all civil penalties levied by the secretary and by each county agricultural commissioner within the past five years, including the amount of each penalty, the person against whom the penalty was levied, and the nature of the violation. Copies of this list shall also be available by mail, upon written request and payment of a reasonable fee, as set by the secretary.

**SEC. 10.** Section 46018.1 of the Food and Agricultural Code is amended to read:

**46018.1.** The secretary and the county agricultural commissioners may conduct a program of announced and unannounced spot inspections to determine compliance with this act.

**SEC. 11.** Section 46020 of the Food and Agricultural Code is amended to read:

**46020.** (a) It is unlawful for a person to sell, offer for sale, advertise, or label any product in violation of this act.

(b) Notwithstanding subdivision (a), a person engaged in business as a handler, distributor, or retailer of food who in good faith sells, offers for sale, labels, or advertises any product in reliance on the representations of a producer, processor, or other distributor that the product may be sold as organic, shall not be found to violate this act unless the handler, distributor, or retailer either:

- (1) Knew or should have known that the product could not be sold as organic.
- (2) Was engaged in producing or processing the product.
- (3) Prescribed or specified the manner in which the product was produced or processed.

**SEC. 12.** Section 46021 of the Food and Agricultural Code is amended to read:

**46021.** (a) It is unlawful for a person to certify a product in violation of this act.

(b) It is unlawful for a person to certify a product or company as organic unless duly registered as a certification agency pursuant to this act.

(c) It is unlawful for a person to willfully make a false statement or representation, or knowingly fail to disclose a fact required to be disclosed, in registration for a certification agency pursuant to this act.

(d) In accordance with Section 205.100(c)(2) of Title 7 of the Code of Federal Regulations, a person who makes a false statement to the secretary, a governing state official, or an accredited certifying agent shall be subject to Section 1001 of Title 18 of the United States Code.

**SEC. 13.** Section 46022 of the Food and Agricultural Code is amended to read:

**46022.** (a) It is unlawful for a person to sell, advertise, label, or otherwise represent any product as organic unless duly registered pursuant to Section 46013.1.

(b) It is unlawful for a person to willfully make a false statement or representation, or knowingly fail to disclose a fact required to be disclosed, in registration pursuant to Section 46013.1.

**SEC. 14.** Section 46027 of the Food and Agricultural Code is amended to read:

**46027.** No food or product shall be advertised or labeled as "organic when available," or "better than organic," or use terminology that leaves in doubt whether the food or product being sold is organic.

**SEC. 15.** Section 46028 of the Food and Agricultural Code is amended to read:

**46028.** All persons who produce, handle, or retail products that are sold as organic shall keep accurate and specific records as required by the secretary in consultation with the California Organic Products Advisory Committee and as required by the National Organic Program.



**SEC. 16.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.