#### 115TH CONGRESS 1ST SESSION

# H. R. 3850

To direct the Federal Trade Commission to establish labels that may be used as a voluntary means of indicating to consumers the extent to which products are of United States origin, and for other purposes.

### IN THE HOUSE OF REPRESENTATIVES

September 27, 2017

Mr. FITZPATRICK (for himself and Ms. SINEMA) introduced the following bill; which was referred to the Committee on Energy and Commerce

## A BILL

- To direct the Federal Trade Commission to establish labels that may be used as a voluntary means of indicating to consumers the extent to which products are of United States origin, and for other purposes.
  - 1 Be it enacted by the Senate and House of Representa-
  - 2 tives of the United States of America in Congress assembled,
  - 3 SECTION 1. SHORT TITLE.
  - 4 This Act may be cited as the "Made in America Act
  - 5 of 2017".
  - 6 SEC. 2. AMERICA STAR LABELS.
  - 7 (a) Establishment.—Not later than 2 years after
  - 8 the date of the enactment of this Act, the Commission

| 1  | shall promulgate regulations in accordance with section      |
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| 2  | 553 of title 5, United States Code, to establish labels that |
| 3  | a person may use as a voluntary means of indicating to       |
| 4  | consumers the extent to which products that such person      |
| 5  | introduces, delivers for introduction, sells, advertises, or |
| 6  | offers for sale in commerce are of United States origin.     |
| 7  | Such labels shall be known as America Star labels.           |
| 8  | (b) Requirements for Labels.—                                |
| 9  | (1) In general.—The regulations required by                  |
| 10 | subsection (a) shall establish 4 America Star labels         |
| 11 | as follows:  |
| 12 | (A) A label that may be used for a product                   |
| 13 | that satisfies the standard for an unqualified               |
| 14 | United States origin claim set forth by the                  |
| 15 | Commission in the Enforcement Policy State-                  |
| 16 | ment.  |
| 17 | (B) A label that may be used for a product                   |
| 18 | for which not less than 90 percent of the total              |
| 19 | cost of manufacturing the product is attrib-                 |
| 20 | utable to United States costs, as determined                 |
| 21 | under the Enforcement Policy Statement.                      |
| 22 | (C) A label that may be used for a product                   |
| 23 | for which not less than 80 percent of the total              |
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cost of manufacturing the product is attrib-

| 1  | utable to United States costs, as determined          |
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|    |   |
| 2  | under the Enforcement Policy Statement.               |
| 3  | (D) A label that may be used for a product            |
| 4  | for which not less than 70 percent of the total       |
| 5  | cost of manufacturing the product is attrib-          |
| 6  | utable to United States costs, as determined          |
| 7  | under the Enforcement Policy Statement.               |
| 8  | (2) Goals.—The America Star labels shall be           |
| 9  | designed to achieve the following goals:              |
| 10 | (A) Providing clarity for consumers about             |
| 11 | the extent to which products are manufactured         |
| 12 | in the United States.                                 |
| 13 | (B) Encouraging manufacturers to manu-                |
| 14 | facture more products in the United States.           |
| 15 | (C) Highlighting the importance of domes-             |
| 16 | tic manufacturing for the economy of the              |
| 17 | United States.  |
| 18 | (3) Appearance and content; additional                |
| 19 | STANDARDS AND REQUIREMENTS.—The regulations           |
| 20 | required by subsection (a) shall establish the visual |
| 21 | appearance and content of the America Star labels,    |
| 22 | any standards (in addition to the standards de-       |
| 23 | scribed in paragraph (1)) that a product shall meet   |
| 24 | in order for a particular America Star label to be    |

used for such product, and requirements for the per-

- missible use of the America Star labels, as the Commission considers appropriate to achieve the goals described in paragraph (2) and to ensure that the labels—
  - (A) are consistent with public perceptions of the meaning of descriptions of the extent to which a product is of United States origin; and
    - (B) are not used in a way that is unfair or deceptive, including, for a product that does not meet the standards for an America Star label, placing such label on such product, using such label in any marketing materials for such product, or in any other way representing that such product meets the standards of such label.
- 15 (c) USE OF LABELS VOLUNTARY.—The Commission
  16 may not require a person who makes a qualified or un17 qualified claim that a product is of United States origin
  18 to use an America Star label to make such claim.
- 19 (d) RULE OF CONSTRUCTION.—Nothing in this Act
  20 shall be construed to affect the standards of the Commis21 sion in effect on the day before the date of the enactment
  22 of this Act for a qualified or unqualified claim that a prod23 uct is of United States origin.

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- 1 (e) Consultation.—In promulgating the regula-2 tions required by subsection (a), the Commission shall
- (1) the Commissioner of United States Customs and Border Protection in order to ensure consistency with the country of origin labeling requirements under section 304 of the Tariff Act of 1930 (19 U.S.C. 1304); and
  - (2) the United States Trade Representative in order to ensure consistency with the obligations of the United States under international trade agreements.

### (f) Enforcement.—

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consult with—

- (1) Unfair or deceptive acts or practices.—A violation of a regulation promulgated under this section shall be treated as a violation of a regulation under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)) regarding unfair or deceptive acts or practices.
- (2) Powers of commission.—The Commission shall enforce the regulations promulgated under this section in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the

- 1 Federal Trade Commission Act (15 U.S.C. 41 et
- 2 seq.) were incorporated into and made a part of this
- 3 Act. Any person who violates a regulation promul-
- 4 gated under this section shall be subject to the pen-
- 5 alties and entitled to the privileges and immunities
- 6 provided in the Federal Trade Commission Act.

### 7 SEC. 3. PREEMPTION OF CERTAIN STATE REQUIREMENTS.

- 8 (a) Requirements More Stringent Than FTC
- 9 Standards.—Section 320933 of the Violent Crime Con-
- 10 trol and Law Enforcement Act of 1994 (15 U.S.C. 45a)
- 11 and any regulation promulgated by the Commission under
- 12 such section shall supercede any provision of law of a
- 13 State or a political subdivision of a State that imposes
- 14 more stringent requirements relating to the extent to
- 15 which any person may introduce, deliver for introduction,
- 16 sell, advertise, or offer for sale in commerce a product with
- 17 a "Made in the U.S.A." or "Made in America" label, or
- 18 the equivalent thereof, in order to represent that such
- 19 product is in whole or substantial part of domestic origin.
- 20 (b) Requirements Limiting Ability To Use
- 21 America Star Labels.—The regulations promulgated
- 22 under section 2 shall supercede any provision of law of
- 23 a State or a political subdivision of a State relating to
- 24 the extent to which any person introduces, delivers for in-
- 25 troduction, sells, advertises, or offers for sale in commerce

- 1 a product with a "Made in the U.S.A." or "Made in Amer-
- 2 ica" label, or the equivalent thereof, in order to represent
- 3 that such product is in whole or substantial part of domes-
- 4 tic origin, to the extent that such provision would have
- 5 the effect of limiting the ability of a person to use an
- 6 America Star label with respect to a product in accordance
- 7 with such regulations.
- 8 SEC. 4. DEFINITIONS.
- 9 In this Act:

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- 10 (1) COMMISSION.—The term "Commission" 11 means the Federal Trade Commission.
- 12 (2) Enforcement Policy Statement.—The 13 term "Enforcement Policy Statement" means the 14 Enforcement Policy Statement on U.S. Origin 15 Claims issued by the Commission in December 1997, 16 or any successor guidance or regulation.
  - (3) STATE.—The term "State" means each of the several States, the District of Columbia, each commonwealth, territory, or possession of the United States, and each federally recognized Indian tribe.