

US California Passed the Bill Relaxing “Made in the U.S.A.” Law

On September 1, 2015, California Governor Jerry Brown signed SB 633, Consumer protection: “Made in U.S.A.” label, which relaxes California’s stringent “Made in the USA” labeling law and aligns the states’ requirement more closely with federal standard, followed by other states.

The prior California law has prohibited companies from labeling a product as “Made in USA”, “Made in America” or similar words when the merchandise or any article, unit, or part thereof, has been entirely or substantially made, manufactured, or produced outside of the United States.

The amendment would align the California law with the Federal Trade Commission (FTC) standard, and would allow “Made in the USA” labels on products that are “all or virtually all” made in the U.S.

With new law, the manufacturers can attach the “Made in USA” label on their products if:

- 1) Foreign parts do not comprise more than 5% of the product’s wholesale value or,
- 2) The manufacturer makes a specific showing that it cannot produce or procure a part or parts in the U.S. and those foreign parts do not constitute more than 10% of the product’s wholesale value.

This bill goes into effect on January 1, 2016

Link

California Legislative Information, SB-633 Consumer protection: “Made in U.S.A.”

http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201520160SB633