7.i. Oppose Letters – Members/Caucus

California State Senate

SENATOR RAYMOND N. HAYNES

THIRTY SIXTH SENATORIAL DISTRICT
REPUBLICAN WHIP



September 6. 2000

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Honorable Gray Davis Governor, State of California California State Capitol, First Floor Sacramento, CA 95814

Re: AB 2723 (Wesson)

Dear Governor Davis:

I would like to take this opportunity to urge you to VETO AB 2723. relating to bottled water.

This bill unfairly singles out bottled water for an excessive labeling mandate that is imposed on no other food product. And what exactly is a customer supposed to do with all this new information? Call up the bottler and ask if they really meant it when their annual statement to consumers declared that they are in compliance with all relevant laws, regulations and guidelines?

Moreover, bottled water must comply with Federal Food and Drug Administration's comprehensive, stringent manufacturing, processing, packaging and labeling regulations. Further, DHS Food and Drug Branch has established a set of quality standards for bottled water products sold in the state. In short, this bill is a solution in search of a problem.

For the foregoing reasons. I request your veto of this bill. If you have any questions concerning this measure, please do not hesitate to contact me.

Very Sincerely.

RAYMOND N. HAYNES Senate Republican Whip 7.ii. Oppose Letters – Organizations/Local Gov't

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August 1, 2000

The Honorable Gray Davis
Office of the Governor
State Capitol, 1st Floor
Sacramento, CA 95814

Dear Governor Davis:

We are writing to urge you to veto Assembly Bill 2723 should it reach your desk. AB 2723 would require bottled water companies to provide their customers receiving bottled water cooler service with an annual billing statement with language that is inconsistent with existing federal law. This state labeling requirement on a food product with an exemplary safety record is simply unnecessary.

Moreover, the Assembly Appropriations Committee analysis vastly underestimates the fiscal impact to the state. The analysis states that the fiscal impact to the state is *minor* —"less than \$50,000 annually" to process requests for exemption from the bottled water licensing requirements during a public emergency. While we have no position regarding the exemptions during public emergencies, the analysis does not provide an estimated cost to the state to enforce the labeling requirements.

There are millions of homeowners and commercial establishments that contract water cooler service. An estimated three out of five California homes have bottled water service. How will the state verify that each of the millions of bottled water accounts receive the annual statement? We asked the California Department of Health Services for an estimated cost to enforce the labeling provision and they did not know.

The fiscal impact of policing millions of bottled water accounts is hardly something that can be considered minor. Your office has a responsibility to California taxpayers to ensure that laws are not enacted that have an unknown but potentially expensive fiscal impact. Further, the labeling requirement, which provides no real benefit not already provided the customer, would not justify the expense to the state.

Bottled water is a food product highly regulated at the federal level by the U.S. Food and Drug Administration (FDA) and at the state level by the California Department of Health Services. At present, all packaged foods, including bottled water, have extensive labeling requirements, including a statement of identity,



contain water as a primary ingredient, including soft drinks, juices, bottled teas and canned vegetables.

According to the U.S. Centers for Disease Control and Prevention (CDC), 76 million Americans suffer from a foodborne illness annually. Not a single illness was attributed to bottled water. In fact, the CDC has never documented an illness associated with bottled water. This is an impressive safety record. So why waste valuable state resources policing the invoices of a product that is renowned for its quality and safety? The labeling provision of AB 2723 is a solution in search of a problem.

We urge you to veto AB 2723.

Sincerely,

Joseph K. Doss President

Ce: Linda Adams



The Perrier Group of America

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September 6, 2000

The Honorable Gray Davis Governor of California State Capitol Sacramento, California 95814

SUBJECT: REQUEST FOR VETO OF AB 2723 - WESSON BOTTLED WATER LABELING

Dear Governor Davis:

Perrier, Calistoga and Arrowhead brands of bottled water which are sold or manufactured by Great Spring Waters of America, Inc., respectfully asks for your veto of AB 2723. Our companies employ hundreds of employees in California and are responsible for generating millions of dollars of business in the California economy and they take pride in the quality of their product.

Although we support the sections in the bill which conform state and federal law, there is one provision remaining in the bill that our companies have fought in every other state where similar legislation has been suggested and which we strongly oppose in this bill. That section is S. 111192, which would require bottled water companies to provide their customers receiving bottled water cooler service with an annual billing statement with language that is inconsistent with existing federal law. We oppose this section, and request the bill's veto, for the following reasons:

- 1. THERE IS NO SAFETY OR HEALTH CONCERN THAT WOULD WARRANT THIS BILL. IN FACT, THE BOTTLED WATER INDUSTRY HAS AN EXEMPLARY SAFETY RECORD.
- 2. IF EVERY STATE WANTED SOMETHING DIFFERENT ON A LABEL OR BILLING STATEMENT, COMPANIES WOULD NOT BE ABLE TO COMPLY WITH EACH ONE. COMPANIES WHICH SELL IN DIFFERENT STATES MUST BE ABLE TO USE A CONSISTENT FEDERAL LABELING/BILLING STATEMENT STANDARD. The federal government is currently reviewing the existing label requirements (which includes billing statements) for bottled water and

may develop additional mandated information in the future. This industry will abide by any such changes that would maintain consistent labeling requirements throughout the U.S.

NOTE: DOES THIS HAVE TO BE CHANGED GIVEN THAT THE REPORT IS NOW OUT?

- 3. BOTTLED WATER CONSUMERS CAN OBTAIN ADDITIONAL INFORMATION ABOUT THE WATER NOW UPON REQUEST. Consumers of delivered water, just as consumers of bottled water sold at retail, can obtain additional information about the water composition, including detailed product analyses and product quality information, upon request to the manufacturer. That information is easily identified by the required point-of-contact information -- in our case an 800 number and e-mail address -- already found on the label or billing statement.
- 4. RETAIL BOTTLED WATER AND DELIVERED WATER SHOULD NOT BE TREATED DIFFERENTLY FROM EACH OTHER OR THEIR COMPETITORS. The industry wants to ensure that delivered water, also a food product, is treated no differently than water sold at retail, or any other food product, since they meet the same or more stringent best manufacturing practices and quality standards.
- 5. BOTTLED WATER AND TAP WATER ARE NOT THE SAME. We understand that one of the author's concerns that prompted this bill is that tap water must provide consumers with specific information regarding the quality of its water that bottled water is not required to provide. It is important to note that tap water and bottled water are provided to the consumer under completely different laws and regulations.
 - Bottled water is regulated differently than municipal water -- the first is a
 food, the other is a utility. Bottled water is a food product and as such is
 appropriately and sufficiently regulated like other food products under existing state and
 federal Food and Drug Administration (FDA) laws. Municipal water, on the other hand,
 is regulated as a utility under existing state and federal Environmental Protection Agency
 (EPA) Laws.
 - Bottled water that does not meet health-based standards is subject to recall tap water cannot simply be recalled if health standards are not met. Bottled water like all other food products (e.g. soda and juice) is subject to FDA enforcement action when the food product is misbranded or adulterated. The bottom line if municipal water companies fail to meet any health based standard, they cannot simply turn off the tap and prevent the water from reaching the consumer the consumer should be informed if a health based standard is not achieved. Botued water companies, on the other hand, are subject to recall orders to ensure that a contaminated product never reaches the shelves or consumers. It does not make sense to require bottled water companies to state that they meet state and federal law when that must be the case in order to sell the product in the first place.

Particularly to prevent impeding interstate commerce and insure consistent national standards, we respectfully request that you veto this measure.

If you have any questions, please contact our lobbyist, Sande George with Stefan/George Associates, at 443-5301.

Sincerely,

Kim E. Jeffer