



## California's Prop 12 ignites regulatory battle over pork industry in court

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SACRAMENTO, Calif. (KTXL) — A state law may soon change what Californians pull out of their refrigerator and will also probably affect their wallets.

Proposition 12 regulates the treatment of pigs, making winter a dicey time for an industry that helps families serve their Christmas pork loin or a bacon-infused brunch the day after.

Half of Tammy Chavez's livelihood in Sacramento relies on what's raised, by and large, on out-of-state farms.

"I would say at least 50% of it tends to be pork between our baby back ribs, hot links and pulled pork," Chavez told FOX40.

When Chavez opened her business, Pancho Villa BBQ and Catering, she thought she'd already done the hardest part.

"We came from the hotel side and, unfortunately, with COVID, I was one that got let go and our hotel closed down, and my counterpart, Alberto, came from the BBQ industry. His restaurant was already shut down during COVID, so we decided to take an idea that we had about five years ago and move that into reality," Chavez explained. "Opened up Jan. 21st of '21 and here we are, almost at a year."

Chavez, her husband and their business partner have already bested supply chain problems and are on the cusp of surviving their first year, which 60% of new restaurants don't.

"During the summer when meat was kind of up and down, we were getting hit with ribs and we were having to go from store to store to store and getting pushed out to buy regular retail price, which kills you on the flip side," Chavez recalled with nervous laughter. "That happened during the summer, too. So if it happened again during a drastic motion, we would be completely lost, absolutely."

With all the restaurant has already weathered, the owners never thought the regulatory heat around pork production might get hot enough to make them leave their own kitchen.

“It would definitely affect us,” Chavez said. “We would be in a really big hole.”

Back in 2018, 7.5 million California voters decided mother pigs need to live in better conditions.

Proposition 12 guarantees that egg-laying hens and the baby calves that become veal should also live their producing lives in crates that let them turn around and stretch their limbs, not the very tight quarters that restrict their movement.

Voters agreed those requirements should apply to any producer or distributor sending product into California for sale starting Jan. 1, 2022, just 12 days from Sunday.

“Ninety-eight percent of the pork in California comes from out of state, so people are asking, why is it such a concern?” explained Julian Canete, the president of the California Hispanic Chambers of Commerce. “We only produce 2% of the pork products that we consume here.”

And that means industry operators all across the country need to know all the housing regulations so they can comply.

“If we have to start redesigning buildings, I don’t know what that would take. It’s not easy,” said one farmer in Oklahoma.

The farmer is one of thousands nationwide who aren’t fighting compliance but rather, fighting the clock.

“So really, it’s a timeline to get to implementation. The way we understand it is the regulations were supposed to come out September of 2019 and that would have given the state and producers time to go through the regulations and change or improve them anyway, so they could be compliant with it,” Canete explained.

The original intent was to give more than two years’ worth of time to change the way the pigs live.

But instead, Canete and the California Hispanic Chamber of Commerce, along with other groups, are suing to stop the implementation that’s set to start in roughly two weeks because the state’s regulations for how all of this is supposed to happen still aren’t finalized.

The situation is like putting drivers on notice that they must go the speed limit but not posting that limit on any highway sign, according to the Cato Institute, which is a libertarian think tank that signed onto the request the National Pork Producers Council has made to the U.S. Supreme Court.

The request asks justices to address the fact that, through Proposition 12, California voters are controlling operations far beyond the state’s borders, potentially burdening interstate commerce.

Producers unable to comply with more humane housing for animals by Jan. 1, through no fault of their own, won't be able to sell in California, which could make prices for what is available skyrocket.

"Not just the supply chain to restaurants and to small stores but also to the end consumers who get hit with the higher cost," Canete said.

"We're selling, normally, Wednesday through Saturday, and then we're selling additional catering orders that we might have on the side. We might use anywhere from three to four cases of pork a week, not counting three to four bags of hot links and about two to three cases of baby back ribs per week," Chavez said. "Cases for pulled pork run about 45 to 50 pounds per case, so we're using about 150 to 200 a week, and then ribs are about 30 to 45 pounds per case. And then the hot links, I would say about 8 pounds per pack."

The amount of pork Chavez needs for her business would not be easily replaceable, and there are other concerns aside from creating humane accommodations.

"There's issues with labeling, you know cost involved with that, machinery has to be changed for the labeling, etcetera. So they don't even know how to properly label the products," Canete said.

The Food Safety Inspection Service under the U.S. Department of Agriculture has already said it's not permitting "statements such as 'California Prop. 12 Compliant' without further explanation on the label," making guidance about exact wording key.

A supply shortage and high prices could affect communities of color who may rely on pork products more than other sectors of society.

"I love the animals being free and being able to have that free range, but we got to have availability too," Chavez said.

In the end, Chavez just hopes to be able to keep serving.

"It's all made from the heart, so you've got a lot of family recipes coming out, too. Nothing's store-bought. It's all made here in the trailer and we want it to be like an individual's picnic that they might be having at home," Chavez said.

The lawsuit to stop Proposition 12 implementation until there are final regulations is currently set to go to court in March, well past the compliance deadline.

Attorneys for the coalition are fighting to get their hearing moved up.