



DIVISION OF RESEARCH ISSUE BRIEF

Exploring Truth-In Labeling Meat Laws

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Overview

The US Department of Agriculture (USDA) granted the approval for sale of cell-cultured or lab-grown meat produced by two companies, GOOD Meat and Upside Foods on June 21, 2023. The approval from the USDA comes less than a year after the [US Food and Drug Administration](#) (FDA) declared that the companies' products are safe for human consumption. Currently, the two companies have only been given approval to sell strictly chicken products and only to a handful of restaurants. Lab grown meat, also known as cell-cultured meat or cultivated cells, and plant-based proteins are two meat alternatives gaining popularity among consumers seeking to make ethically conscious choices about their food and their environment. Plant-based proteins are sourced from plants such as soybeans, peas, and nuts. Cultivated cells, on the other hand, are derived from animal cell tissue that is placed inside a bioreactor.

Cultivated cells, along with plant-based protein meat, aim to replicate the taste and texture of farm-grown meat. As cultivated cell meat and plant-based protein meat progress toward replicating conventional meat, differentiating between alternative-meats from conventional meat becomes difficult. This has created a rift amongst meat farmers and biotech companies, as both cater to the same audience - meat consumers. Biotech companies would also add that they cater to a diverse audience of consumers who seek to make healthier and more environmentally friendly food choices. As a result of the shared interest to cater to meat consumers, cultivated cell companies and plant-based companies are labeling their products with traditionally identifiable meat terms, such as "hot dog," "burger," and "meatballs." In addition, some companies include in the labeling of their food product how the product was sourced, and others opt to not include how the meat was sourced. This has sparked national debate regarding how plant-based and cultivated cell meats should be labeled to distinguish these products from traditionally sourced meats. As a result, many states have enacted legislation aimed at regulating what labels lab-grown companies can use in the sale of their meat products. These laws are called truth-in labeling meat.

Subject Relevancy to the State of Delaware

Delaware is home to [2,300 farms](#), producing 4.4 billion pounds of chicken and generating \$5 billion in wholesale value. In 2020, [Delaware's poultry industry](#) was responsible for as much as \$7.23 billion in total economic activity. According to the [US Department of Agriculture](#), annual broiler production accounted for over 75% of Delaware's value of agricultural production. Due to the significant economic activity of the poultry industry in Delaware, the issue of cell-cultured and plant-based industry is particularly relevant to the State. The emergence of the plant-based and cell cultured industry poses relevant questions regarding the economic implications the industry would have on Delaware's poultry industry.

Lab-Grown Meat Market Trends

- **Number of lab-grown companies.** Currently, 153 companies worldwide are involved in the production of cell-cultivated meat, [43](#) of which are based in the United States.
- **Global Investment.** From 2016 to 2022, the global scale of cell-cultivated meat has reached nearly \$3 billion in investment.
- **Costs of lab-grown meat are decreasing.** In 2013, the first lab-produced burger costed [\\$325,000 to produce](#). Since then, the production costs have been cut by 99% making lab-produced meat average \$17 per pound at the factory level. Lab-produced meat at the grocery store will cost [\\$40 a pound](#), whereas, a pound of conventional meat costs only \$5.

Potential Impacts of Lab-Grown Meat on Conventional Meat Industry

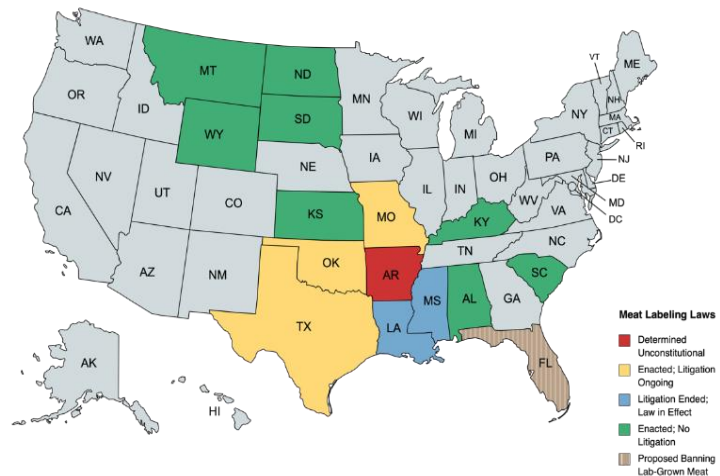
- **Uncertainty.** The cell-cultivated industry is currently in its early stages of production and faces many challenges such as, lowering costs while scaling up production, sourcing cheap ingredients to feed cells, and increasing the efficiency of cell growth.
- **Consumer Acceptance.** Consumer acceptance or preferences favoring alternative meats over conventional meat, which is influenced by factors such as price, health concerns, and societal perceptions, play a critical role in determining the trajectory of consumer acceptance. According to a June 2023 survey, [50%](#) of respondents were “not very” or “not at all” interested in eating cell-cultivated meat.

Truth-in Labeling Lab-Grown Meat Law

- **Truth-in Labeling lab-grown meat laws.** Ban or require disclosure of terms such as “meat” or any meat related term as a label for lab-grown or plant-based meat products.

The intent behind truth in labeling laws is to protect consumers from being misled or confused by the labels currently being used by alternative meat companies.

- **Fourteen States Have Enacted Truth-In Labeling Meat Laws.**



- **Six of the States** have been challenged in court over truth-in labeling meat laws. (TX, OK, MO, LA ,MS). Three of the six states are still in court (TX, OK, MO).

Considerations for Delaware Legislators

- As of December 2023, **Arkansas is the only state where the court has struck down the meat labeling law as unconstitutional** (with the exception of Louisiana which the U.S. 5th Circuit Court reversed the ruling).
- **A cautious and deliberative approach.** Delaware legislators, in considering implementation of meat labeling laws, should observe and consider the outcomes of ongoing legal cases before finalizing these laws.
- Courts have been more lenient towards meat labeling laws that allow lab-grown meat products to use meat related terms with the condition that lab-grown meat product utilize a clear disclosure that the product is lab grown.