UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF VERMONT

UNITED STATES OF AMERICA and UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, *Plaintiffs*, v. STATE OF VERMONT, et al., *Defendants*, and NORTHEAST ORGANIC FARMING ASSOCIATION OF VERMONT AND CONSERVATION LAW FOUNDATION, *Intervenor-Defendants*.	No. 2:25-cv-00463

PLAINTIFFS' RESPONSE TO INTERVENOR-DEFENDANTS'
NOTICE OF SUPPLEMENTAL AUTHORITY

On Friday, March 27—the last business day before the March 30 motions hearing—Intervenor-Defendants filed a notice of supplemental authority regarding an order from the Central District of California dismissing a complaint filed by the United States for lack of standing. *See* ECF 80. The timing of Intervenor-Defendants' filing, which came nine days after the Central District of California's March 18 order, prevented the United States from submitting a written response before the March 30 hearing.

Contrary to Intervenor-Defendants' claim, the Central District of California order is neither on point nor legally persuasive. The order addressed a different complaint with materially different

allegations. And insofar as the order suggests that the United States lacks standing to challenge state laws on preemption grounds—or that preempted state laws do not violate federal law or interfere with the United States' sovereign responsibilities—the order cannot be squared with Supreme Court precedent and basic legal principles. This Court need not, and should not, follow suit.

To begin, the district court's principal holding was that the United States had failed to plead injury to its sovereign interests and thus "depriv[ed] Defendants and Defendant-Intervenors of adequate notice of the federal government's standing theory." *United States v. California*, 2026 WL 784514, at *3 (C.D. Cal. March 18, 2026). Not so here. The United States has alleged and argued that the Climate Superfund Act injures its sovereign interests by usurping exclusive federal authority—a sovereign injury that stems both from the Superfund Act's violation of federal law and from its interference with the administration of federal law, especially its conflict with the Clean Air Act (which is administered by co-plaintiff the U.S. Environmental Protection Agency), U.S. foreign policy, and federal regulation of interstate commerce. *Compare, e.g.*, Compl., ECF 1, ¶¶ 6, 10, 48, 51, 52, 54-55, 61, 76, 82, 91, 106-07; U.S. MSJ, ECF 50-1, at 10-12; U.S. Reply, ECF 65, at 3-6, *with* Ex. A (*California* Complaint); *see also California*, 2026 WL 784514, at *3 (stating that the United States failed to plead or argue similar interference). Indeed, Intervenor-Defendants' arguments in their motion to dismiss confirm that the complaint gave sufficient notice of this standing theory. *See* Int.-Defs.' MTD, ECF 43-1, at 11-13 (addressing theory).[1]

What is more, the *California* court took the United States to be alleging, at most, that "the mere *existence* of a preempted state law creates a sovereign injury to the federal government." *California*, 2026 WL 784514, at *3. And the court balked at what it thought followed: that the

[1] Unlike in *California*, the United States has also asserted standing based on injuries to its pecuniary interests and the general welfare. *See* Compl. ¶ 10; U.S. MSJ at 13-18; U.S. Reply at 7-10.

United States could challenge any state law "currently on the books that conflict[s] with the United States Constitution and federal law as interpreted by the Supreme Court," even if there were no risk of the law ever being enforced. *See id.* at *3 n.3 (citing Texas statute prohibiting the issuance of marriage licenses to same-sex couples). Whatever the merits of the district court's view, it need not be resolved here, because it is undisputed that the Superfund Act is not a dormant statute with no risk of enforcement—the Act is in effect, it is being implemented pursuant to built-in deadlines for specific events, and it *requires* the Vermont Agency of Natural Resources to issue cost demands to responsible parties by July 2028. Vt. Stat. Ann. tit. 10, § 598(f) (mandating that "[t]he Agency shall issue the cost recovery demands required under this section not later than" July 2028 (emphasis added)); Vt. Act No. 47 (H.231) Sec. 21(b) (2025). So even if the United States' injury hinged on the incoming cost demands, that injury would still meet the imminence requirement of Article III because it is "certainly impending." *Clapper v. Amnesty Int'l USA*, 568 U.S. 398, 409 (2013); U.S. Reply at 11 (arguing same).

The district court's alternative theory—that a state statute does not violate federal law, and thus does not injure the United States, when it is preempted by a federal statute—is incorrect. *California*, 2026 WL 784514, at *4. A preempted state statute violates the most fundamental federal law—the Constitution itself—by upsetting the constitutional hierarchy established by the Supremacy Clause. *See, e.g.*, *Crosby v. Nat'l Foreign Trade Council*, 530 U.S. 363, 388 (2000) (holding that a state law was preempted by federal statute and thus "unconstitutional, under the Supremacy Clause"); *Perez v. Campbell*, 402 U.S. 637, 656 (1971) (holding that a preempted state statute was "constitutionally invalid"); *Torres v. Precision Indus., Inc.*, 938 F.3d 752, 755 (6th Cir. 2019) ("courts hold preempted laws 'unconstitutional' under the Supremacy Clause"). Thus, contrary to the *California* court's reasoning, the United States' Clean Air Act preemption claim (Count

I), like its other claims that rely on constitutional violations, *does* assert a violation of federal law. And the Supreme Court has made clear that the United States suffers a concrete injury when federal law is violated. *Vt. Agency of Nat. Res. v. United States ex rel. Stevens*, 529 U.S. 765, 771 (2000); *see also* Tara Leigh Grove, *Standing As an Article II Nondelegation Doctrine*, 11 U. Pa. J. Const. L. 781, 790 (2009) (the "Take Care Clause imposes on the Executive Branch a duty to take appropriate measures, including filing suit in federal court, to 'see that federal law is obeyed'").

Separately, the United States has alleged and argued interference with the administration of federal law—not just violations of federal law—based on the Superfund Act's (certainly impending) imposition of crippling liability for global greenhouse gas emissions and energy production, which upsets the Clean Air Act's carefully balanced regulatory framework with a parallel strict liability regime, burdens activity that the Constitution commits to exclusive federal control, and impairs U.S. foreign policy. *See, e.g.*, Compl. ¶¶ 10, 52, 54-55, 57, 60, 76, 106-07; U.S. MSJ at 12; U.S. Reply at 5-6.

Finally, the *California* court's suggestion that the United States may lack standing to bring statutory preemption claims (Count I here) is foreclosed by the Supreme Court's decision in *Arizona v. United States*, 567 U.S. 387 (2012)—which isn't even cited in the *California* order. There, the United States brought a pre-enforcement challenge to an Arizona immigration statute on grounds that it was preempted by federal immigration statutes, much like Count I of the United States' complaint here challenges the Superfund Act on grounds that it is preempted by the Clean Air Act. Despite its obligation to assure itself of its own jurisdiction, the Supreme Court not only decided the merits—and thus had no concern about the United States' standing—but it also affirmed a Ninth Circuit decision holding that the preempted statute caused *irreparable* injury to the United States, simply by virtue of the state threatening to enforce the preempted statute. *Id.* at

416; *United States v. Arizona*, 641 F.3d 339, 366 (9th Cir. 2011), *rev'd on other grounds*, 567 U.S. 387; *see also Daimler Truck N.A. LLC, Cal. Air Res. Bd.*, 2025 WL 3049944, at *17 (E.D. Cal. Oct. 31, 2025) (finding irreparable injury to the United States' sovereignty based on enforcement of preempted law).

Moreover, as in *Arizona*, the Superfund Act "upsets the balance struck by" a comprehensive federal statute. 567 U.S. at 403; *E.g.*, Compl. ¶¶ 52, 54. One way the Arizona statute did so was by creating state penalties "where no federal counterpart exists." *Arizona*, 567 U.S. at 403. So too here: The Superfund Act imposes liability and damages for emissions that Congress and EPA have chosen not to address. *See, e.g.*, U.S. MSJ at 38-39; U.S. Reply at 33. In short, if the United States lacks standing to bring its Clean Air Act preemption claim, then it would have lacked standing to bring its statutory preemption claims in *Arizona*. This Court should follow the Supreme Court's lead, not the Central District of California's, and reach the merits of Count I and the United States' other claims.

Respectfully submitted,

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April 9, 2026
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CERTIFICATE OF SERVICE

I hereby certify that on April 9, 2026, I electronically filed the foregoing response using the CM/ECF system, which electronically served all counsel of record.

Dated: April 9, 2026

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UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

THE STATE OF CALIFORNIA; GAVIN C. NEWSOM, in his Official Capacity as Governor of California; KAREN ROSS, in her Official Capacity as Secretary of the California Department of Food & Agriculture; ERICA PAN, in her Official Capacity as Director of the California Department of Public Health; and ROB BONTA, in his Official Capacity as Attorney General of California,

Defendants.

No. CV 25-6230-

COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

Plaintiff, the United States of America, brings this civil action for declaratory and injunctive relief, and alleges as follows:

INTRODUCTION

1. The United States is facing a historic cost-of-living crisis. Overly burdensome and unnecessary regulations have diminished the purchasing power and prosperity of the American worker. As a result, President Trump declared that it shall be the policy of the United States to eliminate the "crushing regulatory burden" that has "made necessary goods and services scarce." Presidential Memorandum, *Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis* (Jan. 20, 2025).

2. The State of California has contributed to the historic rise in egg prices by imposing unnecessary red tape on the production of eggs. Through a combination of voter initiatives, legislative enactments, and regulations, California has effectively prevented farmers *across the country* from using a number of agricultural production methods which were in widespread use—and which helped keep eggs affordable.

3. California's codified purpose in prohibiting the sale of eggs that are produced through various accepted animal husbandry practices is purportedly to increase the quality and fitness for human consumption of eggs and egg products sold in California.

4. But California's egg standards do not advance consumer welfare. For example, with respect to California's most recent voter initiative imposing new standards of egg quality, Proposition 12, the California Department of Food and Agriculture has stated in its regulatory analysis that despite the initiative's purported concern for consumer "health and safety," the egg standards "are not based in specific peer-reviewed published scientific literature or accepted as standards within the scientific community to reduce human food-borne illness . . . or other human or safety concerns."[1]

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[1] Cal. Dep't of Food & Agric., Animal Confinement Notice of Proposed Action 16, https://www.cdfa.ca.gov/ahfss/pdfs/regulations/AnimalConfinement1stNoticePropReg_05252021.pdf.

1 5. California's regulation of eggs has, however, been effective in raising prices
2 for American consumers. Indeed, Proposition 12 alone has "caused a significant increase"
3 in egg prices, "and therefore led to a sizeable reduction in consumer surplus."[2]
4 6. Regardless of the intent or effect of California's various initiatives on egg
5 prices, it is the prerogative of the federal government alone to regulate the quality,
6 inspection, and packaging of eggs. In 1970, Congress passed the Egg Products Inspection
7 Act (EPIA), which sets forth requirements to ensure that eggs and egg products are
8 wholesome and properly labeled and packaged to protect the health and welfare of
9 consumers of these products.
10 7. Through EPIA, Congress exercised its authority under the Supremacy Clause
11 to expressly preempt state or local laws which impose requirements "in addition to" or
12 "different from" those contained in EPIA. Thus, the Supremacy Clause does not permit
13 California to inflate egg prices by imposing additional standards that regulate the quality
14 of eggs, and the provisions at issue here are invalid.
15 8. The United States thus seeks a declaration invalidating and permanently
16 enjoining the enforcement of certain provisions of California law that violate the
17 Supremacy Clause and have raised the price of eggs and egg products for American
18 families.
19
20 **JURISDICTION AND VENUE**
21 9. This Court has jurisdiction under 28 U.S.C. §§ 1331 and 1345.
22 10. Venue is proper in this jurisdiction under 28 U.S.C. § 1391(b), because at
23 least one Defendant resides in this District and because a substantial part of the acts giving
24 rise to this suit occurred within the District.
25
26 [2] Mingcong Xie, *Sales of Cage-Free Eggs: The Impact of Proposition 12 on Egg*
27 *Prices and Consumer Welfare in California*, J. of Purdue Undergraduate Rsch. Vol. XIII
28 at 97 (2023), https://docs.lib.purdue.edu/cgi/viewcontent.cgi?article=1637&context=jpur.

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11. This Court has authority to provide the relief requested under the Supremacy Clause, U.S. Const. art. VI, Cl. 2, as well as 28 U.S.C. §§ 1651, 2201, and 2202, and its inherent legal and equitable powers.

PARTIES

12. Plaintiff is the United State of America, suing on its own behalf.

13. Defendant State of California is a state of the United States.

14. Defendant Gavin C. Newsom is Governor of the State of California and is sued in his official capacity.

15. Defendant Karen Ross is sued in her official capacity as the Secretary of the California Department of Food and Agriculture, which is a State of California regulatory entity responsible for jointly issuing regulations to implement Proposition 12.

16. Defendant Erica Pan is sued in her official capacity as the Director of the California Department of Public Health, which is a State of California regulatory entity responsible for jointly issuing regulations to implement Proposition 12.

17. Defendant Rob Bonta is sued in his official capacity as the Attorney General of California. The Attorney General's office is responsible for enforcing the provisions of Proposition 12 that make its violation a criminal offense.

FEDERAL LAW

A. EPIA broadly regulates the quality, inspection, labeling, and packaging of egg and egg products.

18. The federal EPIA, 21 U.S.C. § 1031 *et seq.*, governs the protection of human health in connection with the quality, inspection, labeling, and packaging of shell eggs. Section 1031, titled "Congressional statement of findings," provides that:

> It is essential, in the public interest, that the health and welfare of consumers be protected by the adoption of measures prescribed herein for assuring that eggs and egg products distributed to them and used in the products consumed by them are wholesome, otherwise not adulterated, and properly labeled and packaged. . . . It is hereby found that . . . regulation by the Secretary of Agriculture and the Secretary of

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> Health and Human Services, . . . as contemplated by this chapter, are appropriate . . . to protect the health and welfare of consumers.

19. Section 1032 of EPIA contains a Congressional mandate for national uniformity of standards for eggs:

> It is hereby declared to be the policy of the Congress to provide for the inspection of certain egg products, restrictions upon the disposition of certain qualities of eggs, and uniformity of standards for eggs, and otherwise regulate the processing and distribution of eggs and egg products as hereinafter prescribed to prevent the movement or sale for human food, of eggs and egg products which are adulterated or misbranded or otherwise in violation of this chapter.

20. EPIA broadly defines "egg" to mean "the shell egg of the domesticated chicken, turkey, duck, goose, or guinea." 21 U.S.C. § 1033(g).

21. EPIA also broadly defines "egg product" to mean:

> any dried, frozen, or liquid eggs, with or without added ingredients, excepting products which contain eggs only in a relatively small proportion or historically have not been, in the judgment of the Secretary, considered by consumers as products of the egg food industry, and which may be exempted by the Secretary under such conditions as he may prescribe to assure that the egg ingredients are not adulterated and such products are not represented as egg products.

Id. § 1033(f).

22. The Secretary of Agriculture's sweeping authority under EPIA to establish uniform standards for the quality, inspection, labeling, and packaging of eggs is reinforced by the circumstances it permits the Secretary to *exempt*, including:

a. "the sale of eggs by any poultry producer from his own flocks directly to a household consumer exclusively for use by such consumer and members of his household and his nonpaying guests and employees, and the transportation, possession, and use of such eggs in accordance with this paragraph," *id.* § 1044(a)(3);

b. "the sale of eggs by shell egg packers on his own premises directly to household consumers for use by such consumer and members of his

household and his nonpaying guests and employees, and the transportation, possession, and use of such eggs in accordance with this paragraph," *id.* § 1044(a)(5); and

c. "the sale of eggs by any egg producer with an annual egg production from a flock of three thousand or less hens," *id.* § 1044(a)(7).

B. EPIA expressly preempts state laws "in addition to or different from" federal egg standards.

23. Under EPIA, Congress expressly preempted state laws intended to regulate the quality and condition of eggs: "For eggs which have moved or are moving in interstate or foreign commerce, . . . no State or local jurisdiction may require the use of standards of quality, condition, weight, quantity, or grade which are *in addition to or different* from the official Federal standards[.]" 21 U.S.C. §1052(b) (emphasis added).

24. This language "sweeps widely" and "prevents a State from imposing any additional or different—even if non-conflicting—requirements that fall within the scope of the [EPIA]." *Nat'l Meat Ass'n v. Harris*, 565 U.S. 452, 459–60 (2012) (examining materially similar preemption clause in the Federal Meat Inspection Act).

25. The terms "condition" and "quality" are not defined within EPIA. Rather, Congress delegated to the Secretary of Agriculture broad authority to issue "such rules and regulations as he deems necessary to carry out the purposes or provisions of this chapter." *Id.* § 1043. USDA carried out those obligations in part by enacting a series of definitions for the purpose of EPIA, set forth in 7 C.F.R. § 57.1. Relevant here:

> Condition means any characteristic affecting a product[']s merchantability including, but not being limited to, . . . [t]he state of preservation, cleanliness, soundness, wholesomeness, or fitness for human food of any product; or the processing, handling, or packaging which affects such product.
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> . . .
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> Quality means the inherent properties of any product which determine its relative degree of excellence.

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26. Under EPIA, Congress also expressly preempted state laws intended to regulate the labeling and packaging of eggs and egg products, providing in relevant part:

> For eggs which have moved or are moving in interstate or foreign commerce, . . . no State or local jurisdiction other than those in noncontiguous areas of the United States may require labeling to show the State or other geographical area of production or origin . . . [and] [l]abeling, packaging, or ingredient requirements, in addition to or different than those made under [EPIA], the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act, may not be imposed by any State or local jurisdiction, with respect to egg products processed at any official plant in accordance with the requirements under [EPIA] and such Acts.

21 U.S.C. § 1052(b).

CALIFORNIA LAW

A. California's Proposition 2 & AB1437.

27. In 2008, California voters passed Proposition 2, a ballot initiative that amended the California Health and Safety Code with prescribed requirements for housing covered farm animals, including egg-laying hens, within California.

28. Proposition 2 added five new sections numbered 25990 through 25994, which became effective January 1, 2015. Section 25990(a)-(b) provided that "a person shall not tether or confine any covered animal [including egg-laying hens], on a farm, for all or the majority of any day, in a manner that prevents such animal from: (a) Laying down, standing up, and fully extending his or her limbs; and (b) Turning around freely." Section 25993 provided that a violation of § 25990 shall constitute a misdemeanor punishable by up to $1,000 fine and 180 days in county jail.

29. California in 2010 enacted AB1437, which added three additional sections (§§ 25995 through 25997) to the California Health and Safety Code. Whereas Proposition 2 was an animal welfare measure that imposed housing requirements on farmers, AB1437 aimed to regulate the quality of eggs sold for human consumption. The legislature's codified intent in passing AB1437 was "to protect California consumers from the

deleterious, health, safety, and welfare effects of the sale and consumption of eggs derived from egg-laying hens that are exposed to significant stress and may result in increased exposure to disease pathogens including salmonella." Cal. Health & Safety Code § 25995(e).

30. AB1437 operated so as to impose new standards of quality keyed to Proposition 2's requirements on eggs sold in California. That is, AB1437 prohibited the sale of eggs that were the product of an egg-laying hen kept in violation of Proposition 2's requirements. AB1437 applied to all egg sales, even if the eggs were produced entirely outside of California.

31. Section 259996 provides that, "[c]ommencing January 1, 2015, a shelled egg shall not be sold or contracted for sale for human consumption in California if the seller knows or should have known that the egg is the product of an egg-laying hen that was confined on a farm or place that is not in compliance with animal care standards set forth in [§ 25990]." Under § 25996.1, a violation of § 25996 shall constitute a misdemeanor punishable by up to a $1,000 fine and 180 days in county jail.

32. By ratcheting up production costs, Proposition 2 and AB1437 caused a sharp decrease in egg production in California. One study found that, within a year and a half of its effective date, "both egg production and number of egg-laying hens were about 35% lower than they would have been in the absence of the new regulations."[3]

33. The impact on consumers was nearly as significant. Less than two years after Proposition 2 and AB1437 went into effect, the average price paid per dozen eggs was approximately 20% higher than it would have been without those laws, causing a consumer welfare loss of between $12 and $15 per household over 22 months.[4]

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[3] Connor Lullally & Jayson L. Lusk, *The Impact of Farm Animal Housing Restrictions on Egg Prices, Consumer Welfare, and Production in California*, 100 Am. J. of Agric. Econ. 649 (2018)

[4] *See id.* at 650.

B. California's Proposition 12.

34. On November 6, 2018, California voters approved Proposition 12, a ballot initiative that amends and adds to the egg standards and animal housing requirements already imposed by Proposition 2 and AB1437.

35. Proposition 12 was intended to increase animal welfare and the quality of eggs sold for human consumption. Its standards purported to reduce "threat[s] [to] the health and safety of California consumers" and "the risk of foodborne illness." Proposition 12 § 2.

36. Despite this stated purpose, Proposition 12's requirements were driven by activists' conception of what qualifies as "cruel" animal housing, not by consumer purchasing decisions or scientifically based food safety or animal welfare standards.

37. The California Department of Food and Agriculture has stated in its regulatory analysis that, notwithstanding Proposition 12's purported concern for consumer "health and safety," the "[a]nimal confinement space allowances . . . are not based in specific peer-reviewed published scientific literature or accepted as standards within the scientific community to reduce human food-borne illness . . . or other human or safety concerns."[5]

38. Proposition 12 prohibits "[c]onfining [egg-laying hens] in a manner that prevents the animal from lying down, standing up, fully extending the animal's limbs, or turning around freely"—not just for the majority of a day, but (with limited exceptions) *at all times*.

39. This means an egg-laying hen must be able to fully extend all of its limbs "without touching the side of an enclosure or another animal," and must be able to "tur[n] in a complete circle without any impediment, including a tether, and without touching the side of the enclosure or another animal."

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[5] *Supra* at n.1.

40. Proposition 12 also prohibits "confining an egg-laying hen with less than the amount of usable floorspace per hen required by the 2017 edition of the United Egg Producers' Animal Husbandry Guidelines for U.S. Egg-Laying Flocks: Guidelines for Cage-Free Housing." Those guidelines require:

a. providing a minimum of 1 square foot of usable floorspace per hen in multitiered aviaries and partially slatted systems; and

b. providing a minimum of 1.5 square foot of usable floorspace per hen in single-level floor systems.

41. When calculating "[u]sable floorspace," farmers "shall not include perches or ramps."

42. Beyond floorspace requirements, Proposition 12 prohibits confining an egg-laying hen in any "enclosure other than a cage-free housing system."

43. Proposition 12 defines "cage-free housing system" as "an indoor or outdoor controlled environment for egg-laying hens within which hens are free to roam unrestricted; are provided enrichments that allow them to exhibit natural behaviors, including, at a minimum, scratch areas, perches, nest boxes, and dust bathing areas; and within which farm employees can provide care while standing within the hens' useable floorspace."

44. Proposition 12 permits only narrow exclusions from its requirements. It does not apply:

a. during temporary periods for animal husbandry purposes for no more than six hours in any 24 hours, and not more than 24 hours in any 30 days;

b. during "examination, testing, individual treatment, or operation for veterinary purposes";

c. during medical research; and

d. during transportation, shows, slaughter, at establishments where federal meat inspection takes place, and at live animal markets.

1 45. Proposition 12's requirements apply to sales of covered products in
2 California even if the product derives from a farm animal raised entirely outside of
3 California. That is, covered products from an egg-laying hen cannot be sold in California
4 if the egg-laying hen was ever confined in conditions that do not satisfy Proposition 12.
5 46. This restriction covers business owners and operators who know or should
6 know that covered product does not comply with Proposition 12.
7 47. Proposition 12 covers the sale of both shell eggs and liquid eggs. "Liquid
8 eggs" means "eggs of an egg-laying hen broken from the shells, intended for human food,
9 with the yolks and whites in their natural proportions, or with the yolks and whites
10 separated, mixed, or mixed and strained." This definition does "not include combination
11 food products . . . that are comprised of more than liquid eggs, sugar, salt, water, seasoning,
12 coloring, flavoring, preservatives, stabilizers, and similar food additives."
13 48. Although Proposition 12's proponents also purport to be concerned with the
14 welfare of egg-laying hens, California's code underscores that California's intent is
15 instead to regulate the quality and condition of eggs themselves. California's codified
16 belief is that "[e]gg-laying hens subjected to stress are more likely to have higher levels
17 of pathogens in their intestines and the conditions increase the likelihood that consumers
18 will be exposed to higher levels of food-borne pathogens," and California's codified
19 "intent" is to "protect California consumers from the deleterious, health, safety, and
20 welfare effects of the sale and consumption of eggs derived from egg-laying hens." Cal.
21 Health & Safety Code § 25995.
22 **C. Proposition 12's Enforcement & Implementing Regulations.**
23 49. A sale of eggs that does not comply with Proposition 12 is a criminal offense
24 that carries a penalty of up to a $1,000 fine and 180 days in county jail.
25 50. A violation is also defined as "unfair competition" under the California
26 Business & Professional Code § 17200, which subjects a seller to a civil action for
27 damages or injunctive relief by any person injured in fact by the violation.
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51. Proposition 12 charges the California Department of Food and Agriculture and California Department of Public Health with jointly issuing regulations to implement Proposition 12.

52. Relevant here, Proposition 12's implementing regulations provide that:

a. "All documents of title and shipping manifests for shipments of shell eggs or liquid eggs entering the state or transported within the state for commercial sale in California shall include the statement 'Egg CA Prop 12 Compliant.'"

b. "For shipments of shell eggs or liquid eggs that were not produced in compliance with [Proposition 12] and this Article, and enter California exclusively for purposes of transshipment, export, donation, or sale to federal agencies or on tribal lands and are not destined for commercial sale in California, all documents of title and shipping manifests shall, upon entrance into the state and during transportation and storage within the state, be marked with the statement 'For Export,' 'For Transshipment,' or 'Not Prop 12 Compliant.'"

c. "For shipments of shell eggs or liquid eggs not produced in compliance with [Proposition 12] and this Article that originate from an official plant, whether located inside or outside of the state, under mandatory inspection and that holds an establishment number with prefix "G" granted by the Food Safety Inspection Service of United States Department of Agriculture under the federal Egg Products Inspection Act . . . and being transported to another official plant in California under mandatory inspection and that holds an establishment number with prefix "G" granted by the Food Safety Inspection Service of United States Department of Agriculture under the federal Egg Products Inspection Act . . . , solely for purposes of using the shell eggs or liquid eggs for making food products not covered by the Act or this

1 Article, all documents of title, shipping invoices, bills of lading, and
2 shipping manifests shall, upon entrance into the state and during
3 transportation within the state, be clearly marked with the statement
4 'Only for use at' immediately followed by the complete establishment
5 number, including the prefix 'G', granted by the Food Safety
6 Inspection Service of the United States Department of Agriculture for
7 the specific facility where the shipment is destined for delivery."

8 d. "No person shall label, identify, mark, advertise, or otherwise represent
9 shell eggs or liquid eggs for purposes of commercial sale in the state
10 using the term 'cage free' or other similar descriptive term unless the
11 shell eggs or liquid eggs were produced in compliance with section
12 1320.1 of this Article." 3 Cal. Code Regs. § 1320.4(a), (c).

13

14 **CLAIMS FOR RELIEF**

15 **COUNT ONE**
16 **Preemption of AB 1437**

17 53. Plaintiff incorporates by reference all allegations stated above.

18 54. The Supremacy Clause of the United States Constitution provides that "[t]his
19 Constitution, and the Laws of the United States which shall be made in Pursuance thereof
20 . . . shall be the supreme Law of the Land . . . any Thing in the Constitution or Laws of
21 any State to the Contrary notwithstanding." U.S. Const. art. VI, cl. 2.

22 55. Under the Supremacy Clause, federal law expressly preempts state law
23 where, as here, Congress acting within its constitutional authority expresses an intent to
24 preempt state law through explicit statutory language.

25 56. In accordance with its power over interstate commerce and under the
26 Supremacy Clause, Congress expressly pre-empted state and local laws requiring the use
27 of standards of quality or condition for eggs which are "in addition to or different from"
28 those standards under EPIA. 21 U.S.C. § 1052(b).

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

57. California's codified intent in passing AB 1437 was to "protect California consumers from the deleterious, health, safety, and welfare effects of the sale and consumption of eggs" that have certain inherent properties or qualities which purportedly affect such products' degree of excellence, wholesomeness, and fitness for human food. Cal. Health & Safety Code § 25995(e).

58. While California may impose animal husbandry requirements on hens within its borders, AB 1437's sale prohibition imposes standards of quality and condition on eggs by prohibiting the sale within California of any shell egg that has certain inherent properties—namely, eggs that are "the product of an egg-laying hen that was confined on a farm or place that is not in compliance with animal care standards set forth in Chapter 13.8 [of the California Health and Safety Code]." Cal. Health & Safety Code § 25996.

59. Section 25996 of the California Health and Safety Code violates EPIA and the Supremacy Clause by imposing requirements that are "in addition to" and "different from" federal egg standards under EPIA, and is therefore invalid.

COUNT TWO
Preemption of Proposition 12

60. Plaintiff incorporates by reference all allegations stated above.

61. Proposition 12 prohibits the sale of eggs with certain inherent properties or qualities that purportedly affect such products' degree of excellence, wholesomeness, and fitness for human food. *See* Proposition 12 § 2 ("The purpose of this act is to prevent animal cruelty by phasing out extreme methods of farm animal confinement, which also threaten the health and safety of California consumers, and increase the risk of foodborne illness[.]").

62. Proposition 12 imposes standards of quality and condition on eggs by prohibiting the sale within California of any shell egg or liquid eggs that have certain inherent properties—namely, eggs or liquid eggs that are the product of an egg-laying hen that "was confined in a cruel manner," as defined by California law. *See* Cal. Health & Safety Code § 25990(b)(3), (4).

63. By prohibiting the sale of non-compliant eggs, Proposition 12 and its implementing regulations likewise violate EPIA and the Supremacy Clause by imposing requirements that are "in addition to" and "different from" federal egg standards under EPIA, and are therefore invalid.

COUNT THREE
Preemption of California's Regulations Regarding the Packaging and Labeling of Egg Products

64. Plaintiff incorporates by reference all allegations stated above.

65. The Secretary of Agriculture under EPIA has promulgated regulations regarding the labeling and packaging of egg products. *See* 7 C.F.R. §§ 590.410 *et seq.*; *id.* § 57.840.

66. California's regulations regarding the packaging and labeling of egg products, *see* 3 Cal. Code Regs. § 1320.4, violate EPIA and the Supremacy Clause by imposing labeling and packaging requirements "in addition to" and "different than" those imposed by EPIA, and are therefore invalid. 21 U.S.C. § 1052(b).

PRAYER FOR RELIEF

WHEREFORE, the United States respectfully requests that this Court:

1. Enter a judgment declaring that Section 25990(b)(3)–(4) of the California Health and Safety Code and 3 Cal. Code Regs. § 1320.1 are expressly preempted by EPIA, violate the Supremacy Clause, and are invalid;

2. Enter a judgment declaring that 3 Cal. Code Regs. § 1320.4 is expressly preempted by EPIA, violates the Supremacy Clause, and is invalid;

3. Permanently enjoin Defendants as well as their successors, agents, and employees from enforcing Section 25990(b)(3)–(4) of the California Health and Safety Code and 3 Cal. Code Regs. § 1320.1;

4. Permanently enjoin Defendants as well as their successors, agents, and employees from enforcing 3 Cal. Code Regs. § 1320.4;

5. Award the United States its costs in this action; and

6. Award any other relief it deems just and proper.

Dated: July 9, 2025

Respectfully submitted,

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