SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

THIRD READING

Bill No: AB 1264

Author: Gabriel (D), et al. Amended: 7/18/25 in Senate

Vote: 21

SENATE EDUCATION COMMITTEE: 7-0, 7/2/25

AYES: Pérez, Ochoa Bogh, Cabaldon, Choi, Cortese, Gonzalez, Laird

SENATE ENVIRONMENTAL QUALITY COMMITTEE: 7-0, 7/16/25 AYES: Blakespear, Valladares, Gonzalez, Hurtado, Menjivar, Padilla, Pérez

NO VOTE RECORDED: Dahle

SENATE APPROPRIATIONS COMMITTEE: 5-0, 8/29/25 AYES: Caballero, Cabaldon, Grayson, Richardson, Wahab NO VOTE RECORDED: Seyarto, Dahle

ASSEMBLY FLOOR: 65-1, 6/3/25 - See last page for vote

SUBJECT: Pupil nutrition: particularly harmful ultraprocessed food: prohibition

SOURCE: Environmental Working Group

DIGEST: This bill (1) prohibits local educational agencies (LEAs) from selling "particularly harmful ultra-processed food" (UPF) or beverages, beginning July 1, 2035; (2) prohibits a vendor from offering particularly harmful UPF to a school, beginning January 1, 2032; and, (3) requires the Office of Environmental Health Hazard Assessment to adopt, by July 1, 2026, regulations to define particularly harmful UPF.

ANALYSIS:

Existing law:

- 1) Defines "nutritionally adequate breakfast" and "nutritionally adequate lunch" as meals that qualify for reimbursement under the most current meal pattern for the federal School Breakfast Program or National School Lunch Program, and beginning December 31, 2027, does not contain specified food dyes (excluding food provided by the United States Department of Agriculture (USDA) Foods in Schools program. (Education Code (EC) § 49501.5)
- 2) Prohibits, beginning December 31, 2027, the sale of "competitive food" that contains any of the substances described in #1 above. Restricts the sale of a "competitive entrée" in middle or high schools, with the same prohibition on specified food dyes beginning December 31, 2027. (EC § 49431)
- 3) Defines "food additive" as any substance, the intended use of which results or may reasonably be expected to result, directly or indirectly, in the substance becoming a component of the food or otherwise affecting characteristics of the food. This includes any substance or radiation source intended for use in producing, manufacturing, packing, treating, packaging, transporting, or holding any food. (Health and Safety Code § 109940)

This bill:

- 1) Requires a school to begin to phase out particularly harmful UPF by January 1, 2028.
- 2) Prohibits schools, beginning July 1, 2035, from selling food and beverages that include particularly harmful UPF, as follows:
 - a) Prohibits elementary schools from selling food served as part of the federal National School Lunch Program and federal School Breakfast Program, and competitive entrees sold by any entity, that contain particularly UPF (excluding USDA commodities).
 - b) Prohibits middle schools and high schools from selling entrées served as part of the federal National School Lunch Program and federal School Breakfast Program, competitive entrées sold by any entity, and competitive snacks that contain particularly UPF (excluding USDA commodities).
 - c) Prohibits elementary schools, middle schools, and high schools from selling competitive beverages that contain particularly harmful UPF.

- d) Prohibits food containing particularly harmful UPF (excluding USDA commodities) from being considered part of a "nutritionally adequate breakfast" or "nutritionally adequate lunch," for purposes of meeting the existing requirement to make available a nutritionally adequate breakfast and a nutritionally adequate lunch free of charge during each schoolday to any pupil who requests a meal.
- e) Expressly prohibits a nutritionally adequate breakfast or lunch (excluding USDA commodities) from including particularly harmful UPF.
- 3) Requires the Office of Environmental Health Hazard Assessment to adopt regulations, by July 1, 2026, to define particularly harmful UPF that consider all of the following factors:
 - a) Whether the substance or group of substances are banned or restricted in other local, state, federal, or international jurisdictions due to concerns about adverse health consequences.
 - b) Whether the products include or require a warning label in other local, state, federal, or international jurisdictions due to concerns about adverse health consequences.
 - c) Whether, based on reputable peer-reviewed scientific evidence, a substance or group of substances are linked to health harms or adverse health consequences, including, but not limited to, specified diseases and health conditions.
 - d) Whether, based on reputable peer-reviewed scientific evidence, a substance or group of substances may be hyperpalatable, or may contribute to food addiction.
 - e) Whether the food has been modified to be high in fat, sugar, or salt.
- 4) Requires the Office of Environmental Health Hazard Assessment to be guided by a rigorous examination of available reputable peer-reviewed scientific evidence and shall consider specified information.
- 5) Requires the Office of Environmental Health Hazard Assessment to adopt regulations to update the definition of a particularly harmful UPF every two years to accommodate any relevant advances in scientific knowledge, the

- development of better agricultural or manufacturing practices, or other changes that require revision of the definition.
- 6) Requires the Office of Environmental Health Hazard Assessment to adopt these regulations in consultation with the State Department of Public Health, the California Department of Education (CDE), Department of Food and Agriculture, the University of California, and all appropriate state agencies, after providing an opportunity for all interested parties to comment.
- 7) Requires the Office of Environmental Health Hazard Assessment to adopt regulations to establish, by January 1, 2028, a petitioning process for the exemption of a food or ingredient from the "particularly harmful UPF" definition. Requires the petitioning process to include a petitioning fee, which shall not exceed the office's reasonable costs of administering these provisions.
- 8) Defines UPF as any food or beverage that contains high amounts of saturated fat, sodium, or added sugar, and contains one or more of the following substances:
 - a) Substances not available in the United States Food and Drug Administration (FDA) Substances Added to Food database but having any of the following FDA-defined technical effects (as defined in specified sections of Title 21 of the Code of Federal Regulations):
 - i) Surface-active agents.
 - ii) Stabilizers and thickeners.
 - iii) Propellants, aerating agents, and gases.
 - iv) Colors and coloring adjuncts.
 - v) Emulsifiers and emulsifier salts.
 - vi) Flavoring agents and adjuvants, excluding spices and other natural seasonings and flavorings.
 - vii) Flavor enhancers, excluding spices and other natural seasonings and flavorings.

- viii) Surface-finishing agents.
- ix) Non-nutritive sweeteners.
- b) Substances available in the FDA Substances Added to Food database that are designated as having any of the FDA-defined technical effects listed above, excluding spices and other natural seasonings and flavorings, and excluding natural color additives.
- 9) Excludes from the definition of "UPF" any of the following:
 - a) Commodity food specifically made available by the USDA.
 - b) A raw agricultural commodity, as specified.
 - c) An unprocessed locally grown or locally raised agricultural product, as specified.
 - d) Minimally processed prepared food, as specified, which may include foods in a variety of forms, including but not limited to whole, cut, sliced, diced, canned, pureed, dried, and pasteurized.
 - e) Class 1 milk, as specified.
 - f) Alcoholic beverages, as specified.
- 10) Defines "particularly harmful UPF" as a food or food product that is ultraprocessed food fold by any entity to a school that is particularly harmful, as determined by regulations adopted by the Office of Environmental Health Hazard Assessment.
- 11) Excludes from the definition of "particularly harmful UPF" nonfat flavored milk, soy milk, rice milk, almond milk, or other similar non-dairy milk, as specified.
- 12) Prohibits a vendor from offering particularly harmful UPF to a school, beginning January 1, 2032.
- 13) Requires any vendor of food or food products to a school to annually report specified information to the Office of Environmental Health Hazard

Assessment, by February 1, 2027, through February 1, 2032, annually thereafter, for each food product sold to a school in the past calendar year, to the extent it is known to the vendor.

- 14) Exempts the following from reporting requirements:
 - a) A cottage food operation that is registered or has a permit pursuant to existing Health and Safety Code statutes.
 - b) A microenterprise home kitchen, as defined in existing Health and Safety Code statutes.
 - c) A small business, as defined in existing Government Code statutes.
- 15) Requires the Office of Environmental Health Hazard Assessment, in consultation with CDE and using information reported by vendors pursuant to 13) above, to annually submit to the Legislature, by July 1, 2027 through July 1, 2032, a written report containing specified information.
- 16) Requires the Office of Environmental Health Hazard Assessment to also submit this report to the Governor and post the report on its website.
- 17) Provides that this bill does not prohibit a public entity from voluntarily enacting more stringent restrictions on UPF or particularly harmful UPF.
- 18) States legislative intent to reduce the consumption of UPF by the children of California, and to encourage schools and school districts to promote and provide healthier options in school meals in advance of the compliance dates specified in this bill. This bill further states legislative intent to prioritize California-grown products in school meals, which are among the healthiest and most nutritious available, meeting the highest standards for quality, safety, and sustainability.

Comments

Practical effect for LEAs. Existing law prohibits schools from selling food that contains more than 0.5 grams of trans fat per serving, soda, beverages that contain caffeine, and beginning December 31, 2027, any food or beverage containing specified dyes. This bill further prohibits schools from selling, beginning July 1, 2035, any food or beverage that contains particularly harmful UPF (but does not

prohibit the sale of UPF that are not "particularly harmful").

Schools generally purchase the bulk of their food from the USDA Foods in Schools program, also known as commodities. Schools supplement USDA commodities with food purchased from school meal vendors, who prepare food products for schools in accordance with federal and state nutrition standards. Many schools also supplement USDA commodities with fresh fruit and vegetables purchased from local farmers. The food served by schools is typically not the same as the food found in grocery stores, as it must meet specific nutrition standards for schools.

While this bill prohibits schools from selling particularly harmful UPF, the bill places the greatest responsibility on vendors to offer food and beverage products that do not contain particularly harmful UPF, as defined by the Office of Environmental Health Hazard Assessment. Food and beverage vendors will need to adapt their products offered to schools, schools will have to rely solely on cooking from scratch using ingredients that are not particularly harmful UPF, or schools may need to change their menus to ensure no particularly harmful UPF are used. Until the regulations are developed to define particularly harmful UPF, it is unknown exactly which products currently sold, or ingredients used, by schools will be affected.

Processed, ultra-processed, or particularly harmful ultra-processed. As noted in the Senate Environmental Quality Committee analysis, researchers have examined the possible detrimental effects of excessively consuming processed foods on diets and general health, and various systems have been developed for classifying these foods based on processing criteria. The NOVA system (not an acronym) is the most widely used.

The NOVA classification system divides foods into four primary groups according to the extent of processing. This categorization does not include a breakdown of the nutrients in the foods. According to NOVA, food processing refers to the physical, biological, and chemical procedures that take place following the separation of food from its natural state and prior to its consumption or usage in the making of dishes and meals. NOVA does not account for culinary techniques used in home or restaurant kitchens to prepare food, such as fractioning, cooking, seasoning, and blending different foods or eliminating non-edible components. The four NOVA categories are:

- a) Group 1 *Unprocessed or minimally processed foods*. These foods undergo minimal processing, such as removing inedible parts and applying methods like drying, crushing, and pasteurization without adding chemicals like sugar, salt, or oils. The main goal is to extend the shelf life of unprocessed foods through freezing, drying, or refrigeration while facilitating preparation by altering textures or removing undesirable components. Examples include fresh produce, rice, beans, lentils, meats, eggs, nuts, and spices.
- b) Group 2 *Processed culinary ingredients*. This category includes processed culinary ingredients derived from Group 1 foods or nature through methods like pressing, refining, and grinding. These ingredients are intended to enhance the flavor and preparation of minimally processed foods and are primarily used in kitchens for cooking, seasoning, and preparing Group 1 meals. Examples include salt, sugar, honey, butter, and oils.
- c) Group 3 *Processed foods*. This category consists of processed foods created by adding sugar, oil, salt, or other Group 2 substances to Group 1 foods. These foods typically feature two or three ingredients. Various preservation and cooking methods are used, including non-alcoholic fermentation, with the primary aim of enhancing the durability and sensory qualities of Group 1 foods. These foods may also contain additives for the purpose of prolonging the quality and safety of the product. Examples include canned vegetables and fruits, baked breads, cheeses, and alcoholic beverages.
- d) Group 4 *Ultra-processed food and drink products*. Ultra-processed foods are characterized by industrial formulations with several ingredients. These products often include unusual additives not commonly found in culinary preparations alongside sugars, oils, fats, salt, and preservatives. UPFs typically contain little to no Group 1 components, aiming to mimic or mask the sensory qualities of these foods. These products contain additives and synthetic materials with a cosmetic function to make the product hyperpalatable. NOVA identifies UPFs broadly with the use of 12 additive classes (anti-foaming, foaming, bulking, carbonating, glazing, and gelling agents; thickeners; color; emulsifiers; emulsifying salts; flavor enhancers; and sweeteners). The primary objective of ultra-processing is to create ready-to-eat or drink items, employing industrial techniques like extrusion and molding. These products often feature attractive packaging, and aggressive marketing aimed at children. Examples include carbonated soft drinks,

flavored yogurt, ice cream, hot dogs, plant-based meats, instant soups, bread, and distilled alcoholic beverages.

The Senate Environmental Quality Committee analysis also cites research that "has demonstrated that excessive consumption of UPFs are associated with a greater risk of disorder, disease and premature death. There have been links between UPFs and obesity, diabetes, hypertension, cancer, depression, and other chronic diseases." Please refer to the Senate Environmental Quality Committee analysis for more information and a comment from the Senate Health Committee.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes According to the Senate Appropriations Committee:

- 1) The Office of Environmental Health Hazard Assessment (OEHHA) estimates General Fund costs of about \$2.8 million each year for 14.0 positions through 2032, when the vendor reporting requirement sunsets, to perform the research, rulemaking, and oversight activities required by the bill. The OEHHA estimates an additional \$1.0 million in one-time General Fund for contracting dollars to create an IT solution that enables vendor reporting, and \$25,000 (General Fund) annually until the vendor reporting requirement sunsets for operations and maintenance. The OEHHA indicates that this estimate assumes the vendor reporting requirement would require the collection of detailed data from a large number and variety of school districts and vendors, which would be impractical, especially given that the reporting expires after 5 years. Additionally, the exemption process would require processing of an unknown but potentially significant number of exemption requests. The OEHHA believes the fiscal impact would be significantly reduced if the office's role were focused on identifying particularly harmful UPFs.
- The bill's prohibition on particularly harmful UPF would essentially require vendors to adapt their food and beverage products offered to schools that do not contain particularly harmful UPFs. This could potentially lead to increased costs for these products, resulting in additional, unknown Proposition 98 cost pressures on school districts that continue to purchase them or decide to purchase other more expensive options. However, until the regulations are developed by the OEHHA that define particularly harmful UPFs or beverages, it is unclear exactly which products or ingredients will be affected.

The California Department of Education (CDE) estimates General Fund costs of approximately \$751,000 to hire 4.05 additional staff needed to support implementation of the new school nutrition requirements.

SUPPORT: (Verified 8/29/25)

Environmental Working Group (Co-Sponsor)

A Voice for Choice Advocacy

Alliance for Children's Rights

American Academy of Pediatrics, California

American Diabetes Association

American Obesity Foundation

Breast Cancer Prevention Partners

California Health Coalition Advocacy

California Medical Association

California Podiatric Medical Association

California Public Interest Research Group

California School Employees Association

California School-based Health Alliance

Capistrano Unified School District

Center for Environmental Health

Center for Science in the Public Interest

Ceres Community Project

CFT - A Union of Educators & Classified Professionals, AFT, AFL-CIO

Chef Ann Foundation

Children Now

Cleanearth4kids.org

Conscious Kitchen

Consumer Reports Advocacy

Crohns and Colitis Foundation

Dos Pisano's, Inc.

Eat Real

Facts Families Advocating for Chemical and Toxics Safety

Fresno Unified School District

Indivisible Marin

Kern County Superintendent of Schools Office

Marysville Joint Unified School District

Morgan Hill Unified School District

National Farm to School Network (fiscal Sponsor: Tides)

National Union of Healthcare Workers

NextGen California

Office of Kat Taylor

Resource Renewal Institute

San Luis Coastal Unified School District

San Ramon Valley Unified School District

Stand Up California

Stanford Medicine Children's Health

The Los Angeles Trust for Children's Health

United Nurses Associations of California/Union of Health Care Professionals

OPPOSITION: (Verified 8/29/25)

Agricultural Council of California

American Beverage Association

American Chemistry Council

American Frozen Foods Institute

American Pistachio Growers

Association of California Egg Farmers

Brotherhood Crusade

California Apple Commission

California Asian Pacific Chamber of Commerce

California Association of Pest Control Advisers

California Association of Wheat Growers

California Bean Shippers Association

California Black Chamber of Commerce

California Blueberry Commission

California Chamber of Commerce

California Citrus Mutual

California Date Commission

California Farm Bureau

California Farm Labor Contractor Association

California Fresh Fruit Association

California Grain & Feed Association

California Grocers Association

California Hispanic Chambers of Commerce

California League of Food Producers

California Manufacturers & Technology Association

California Pear Growers Association

California Rice Commission

California Strawberry Commission

California Tomato Growers Association

California Walnut Commission

California Wild Rice Advisory Board

Civil Justice Association of California

Consumer Brands Association
Dairy Institute of California
Latin Business Association
Latino Restaurant Association
Olive Growers Council of California
Olive Oil Commission of California
Pacific Egg & Poultry Association
Ragin Cajun Cafe
San Fernando Valley Regional Black Chamber of Commerce
Thrive Food Bank
United Ag
Western Growers Association
Western Tree Nut Association

ASSEMBLY FLOOR: 65-1, 6/3/25

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Chen, Connolly, Elhawary, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Rogers, Sanchez, Schiavo, Schultz, Sharp-Collins, Soria, Stefani, Ta, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NOES: DeMaio

NO VOTE RECORDED: Alanis, Bains, Castillo, Davies, Dixon, Ellis, Mark González, Hadwick, Macedo, Michelle Rodriguez, Blanca Rubio, Solache, Tangipa

Prepared by: Lynn Lorber / ED. / (916) 651-4105 8/30/25 16:31:05

**** END ****