#### 112TH CONGRESS 1ST SESSION

# H. R. 3555

To provide additional protections for farmers and ranchers that may be harmed economically by genetically engineered seeds, plants, or animals, to ensure fairness for farmers and ranchers in their dealings with biotech companies that sell genetically engineered seeds, plants, or animals, to assign liability for injury caused by genetically engineered organisms, and for other purposes.

#### IN THE HOUSE OF REPRESENTATIVES

**DECEMBER 2, 2011** 

Mr. Kucinich (for himself, Mr. Grijalva, and Mr. Stark) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committees on Energy and Commerce and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

# A BILL

To provide additional protections for farmers and ranchers that may be harmed economically by genetically engineered seeds, plants, or animals, to ensure fairness for farmers and ranchers in their dealings with biotech companies that sell genetically engineered seeds, plants, or animals, to assign liability for injury caused by genetically engineered organisms, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

#### 1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

- 2 (a) Short Title.—This Act may be cited as the
- 3 "Genetically Engineered Technology Farmer Protection
- 4 Act".
- 5 (b) Table of Contents for
- 6 this Act is as follows:
  - Sec. 1. Short title; table of contents.

# TITLE I—GENETICALLY ENGINEERED CROP AND ANIMAL FARMER PROTECTION

- Sec. 101. Short title; findings.
- Sec. 102. Information requirements regarding sale of genetically engineered seeds, plants, and animals.
- Sec. 103. Contract limitations regarding sale of genetically engineered seeds, plants, and animals.
- Sec. 104. Prevention of noncompetitive practices involving technology fees.
- Sec. 105. Measures to avoid cross pollination involving genetically engineered seeds or plants.
- Sec. 106. Resistance of agricultural pests to certain naturally occurring pesticides.
- Sec. 107. Prohibition on labeling certain seeds as non-genetically engineered.
- Sec. 108. Prohibition on certain non-fertile plant seeds.
- Sec. 109. Prohibition on loan discrimination.
- Sec. 110. Civil penalties for violation.
- Sec. 111. Citizen suits.
- Sec. 112. Definitions.

#### TITLE II—GENETICALLY ENGINEERED ORGANISM LIABILITY

- Sec. 201. Short title.
- Sec. 202. Findings.
- Sec. 203. Liability.

# 7 TITLE I—GENETICALLY ENGI-

## 8 NEERED CROP AND ANIMAL

## 9 FARMER PROTECTION

- 10 SEC. 101. SHORT TITLE; FINDINGS.
- 11 (a) Short Title.—This title may be cited as the
- 12 "Genetically Engineered Crop and Animal Farmer Protec-
- 13 tion Act".

- 1 (b) FINDINGS.—Congress finds the following:
- 2 (1) Agribusiness and biotechnology companies 3 have rapidly consolidated market power while the av-4 erage farmer's profits and viability have significantly 5 declined.
  - (2) Policies promoted by biotech corporations, such as the patenting of seeds, depriving farmers the right to save seeds, unreasonable seed contracts, and intrusion into everyday farm operations, have systematically revoked basic farmer rights, which have been enjoyed by farmers since the beginning of the practice of agriculture and which are essential for agricultural sustainability and the survival of family farms.
  - (3) The introduction of genetically engineered crops has also created obstacles for farmers, including the loss of markets and increased liability concerns.
  - (4) In Monsanto v. Geerston Farms, the United States Supreme Court determined that the threat of transgenic contamination is so harmful and onerous to organic and conventional farmers to give such farmers standing to challenge future biotech crop commercialization.

1	(5) To mitigate the abuses upon farmers, a
2	clear set of farmer's rights must be established.
3	SEC. 102. INFORMATION REQUIREMENTS REGARDING SALE
4	OF GENETICALLY ENGINEERED SEEDS,
5	PLANTS, AND ANIMALS.
6	(a) Full Disclosure of Risks of Use.—A biotech
7	company that sells any genetically engineered animal, ge-
8	netically engineered plant, or genetically engineered seed
9	that the biotech company knows, or has reason to believe,
10	will be used by a purchaser in the United States to
11	produce an agricultural commodity shall provide written
12	notice to the purchaser that fully and clearly discloses the
13	possible legal and environmental risks that the use of the
14	genetically engineered animal, genetically engineered
15	plant, or genetically engineered seed may pose to such pur-
16	chaser.
17	(b) Effect of Disclosure.—The provision of writ-
18	ten notice under subsection (a) regarding the risks of
19	using a genetically engineered animal, genetically engi-
20	neered plant, or genetically engineered seed does not re-
21	lieve the biotech company from any liability that may re-
22	sult from the release of genetically engineered material
23	into the environment. The receipt of the written notice by
24	the purchaser shall not be construed to create any liability
25	for the purchaser.

1	(c) Rulemaking.—The Secretary shall issue such
2	rules as may be necessary to implement and enforce this
3	section.
4	SEC. 103. CONTRACT LIMITATIONS REGARDING SALE OF
5	GENETICALLY ENGINEERED SEEDS, PLANTS,
6	AND ANIMALS.
7	(a) CERTAIN CONTRACT TERMS AND LIMITATIONS
8	UNENFORCEABLE.—If a contract for the sale of a geneti-
9	cally engineered animal, genetically engineered plant, or
10	genetically engineered seed to a purchaser for use in agri-
11	cultural production contains a provision described in sub-
12	section (b), the provision is hereby declared to be against
13	public policy and therefore void and unenforceable as a
14	matter of law.
15	(b) Prohibited Terms and Limitations—The

- 15 (b) Prohibited Terms and Limitations.—The 16 provisions referred to in subsection (a) are any of the fol-17 lowing:
- 18 (1) In the case of a sale of a genetically engi19 neered plant or genetically engineered seed, a provi20 sion that prohibits the purchaser from retaining a
  21 portion of the harvested crop for future crop plant22 ing by the purchaser or that charges a fee to retain
  23 a portion of the harvested crop for future crop
  24 planting.

- 1 (2) A provision that limits the ability of the 2 purchaser to recover damages from the biotech com-3 pany for a genetically engineered animal, genetically 4 engineered plant, or genetically engineered seed that 5 does not perform as advertised.
  - (3) A provision that shifts any liability from the biotech company to the purchaser.
  - (4) A provision that requires the purchaser to grant agents of the seller access to the property owned by the purchaser.
  - (5) A provision that mandates arbitration of any disputes between the biotech company and the purchaser.
  - (6) A provision that mandates any court of jurisdiction for the settlement of disputes.
  - (7) A provision that mandates that the purchaser pay liquidated damages of more than a technology fee or similar fee, including any interest charged on such fees.
  - (8) A provision that imposes any unfair condition upon the purchaser, as determined by the Secretary or a court.

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#### SEC. 104. PREVENTION OF NONCOMPETITIVE PRACTICES

- 3 (a) DISCLOSURE OF TECHNOLOGY FEES.—A biotech
- 4 company that sells a genetically engineered animal, geneti-
- 5 cally engineered plant, or genetically engineered seed for
- 6 use in agricultural production in the United States shall
- 7 notify the Secretary, at such times and in such manner
- 8 as the Secretary shall require, of—
- 9 (1) the nature and amount of any technology,
- 10 nonproduction, royalty, or similar fees collected by
- the biotech company in each country where such ge-
- 12 netically engineered animal, plant, or seed is mar-
- 13 keted; and
- 14 (2) in the case of a genetically engineered plant
- or genetically engineered seed, the prices charged by
- 16 the biotech company for herbicides associated with
- such genetically engineered plant or seed.
- 18 (b) Prohibition on Noncompetitive Prac-
- 19 TICES.—A biotech company that sells a genetically engi-
- 20 neered animal, genetically engineered plant, or genetically
- 21 engineered seed for use in agricultural production in the
- 22 United States may not charge higher technology, non-
- 23 production, royalty, or similar fees for sales of the geneti-
- 24 cally engineered animal, plant, or seed in the United
- 25 States than in other countries in which the genetically en-
- 26 gineered animal, plant, or seed is sold.

- 1 (c) Publication of Data.—The Secretary shall
- 2 publish all data received under subsection (a)(1) every six
- 3 months in the Federal Register and on a publicly available
- 4 Internet site.
- 5 SEC. 105. MEASURES TO AVOID CROSS POLLINATION IN-
- 6 VOLVING GENETICALLY ENGINEERED SEEDS
- 7 OR PLANTS.
- 8 (a) Designation of Predominately Outcrossed
- 9 Pollinators.—The Secretary shall determine which
- 10 plants are predominately outcrossed pollinators and make
- 11 such information available to persons who sell or purchase
- 12 such plants or the seeds of such plants for use in agricul-
- 13 tural production.
- 14 (b) Minimizing the Negative Effects of Pre-
- 15 Dominately Outcrossed Pollinators.—The Sec-
- 16 retary shall issue rules to require effective mitigation
- 17 strategies for any crop that is a predominately outcrossed
- 18 pollinator.
- 19 (c) Providing Instructions To Avoid Cross
- 20 Pollination.—The seller of any genetically engineered
- 21 plant or genetically engineered seed that has been identi-
- 22 fied as a predominately outcrossed pollinator shall provide
- 23 written instructions to each purchaser of the plants or
- 24 seeds regarding how to plant and cultivate the plants or
- 25 seeds so as to avoid cross contamination.

#### SEC. 106. RESISTANCE OF AGRICULTURAL PESTS TO CER-2 TAIN NATURALLY OCCURRING PESTICIDES. 3 Section 3(c) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a(c)) is amended by 4 5 adding at the end the following paragraph: 6 "(11) Plant-incorporated by pesticides.— 7 "(A) Not later than 180 days after the 8 date of the enactment of this paragraph, the 9 Administrator, in consultation with the 10 subpanel established under subparagraph (B), 11 shall establish the best achievable resistance 12 plan for plant-incorporated pesticides engi-13 neered to include toxins derived from the bac-14 terium Bacillus thuringiensis (referred to in 15 this paragraph as 'plant-incorporated Bt pes-16 ticide'). "(B) Before establishing the best achiev-17 18 able resistance plan under subparagraph (A), 19 the Administrator shall, in accordance with pro-20 cedures under section 25(d), establish a tem-21 porary subpanel to provide advice to the Admin-22 istrator on scientific matters involved in estab-23 lishing the resistance plan described in subpara-24 graph (A). "(C) Once the best achievable resistance 25 26 plan is established under subparagraph (A), the

Administrator shall revoke all Bt registrations
that are not in compliance with the plan and
may not issue new registrations unless the applicant has achieved the plan.

"(D) If pursuant to subparagraph (A) the Administrator determines that plant-incorporated Bt pesticides may have an unreasonable adverse effect on the environment by facilitating the development of Bt-toxin resistance in pests, or that the review has been inconclusive on whether the pesticide facilitates such resistance, the Administrator shall take such actions under this Act as may be necessary to significantly reduce the extent to which such pesticides are used."

# 16 SEC. 107. PROHIBITION ON LABELING CERTAIN SEEDS AS 17 NON-GENETICALLY ENGINEERED.

A seed company or other person may not sell, or offer for sale, seeds for planting that are labeled as non-genetically engineered or otherwise represented as not containing genetically engineered material if the Secretary finds that any sample of the seeds contains genetically engineered material.

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#### SEC. 108. PROHIBITION ON CERTAIN NON-FERTILE PLANT

- 2 SEEDS.
- 3 Notwithstanding any other provision of law, effective
- 4 45 days after the date of the enactment of this title, a
- 5 person may not manufacture, distribute, sell, plant, or
- 6 otherwise use any seed that is genetically engineered to
- 7 produce a plant, the seeds of which are not fertile or are
- 8 rendered infertile by the application of an external chem-
- 9 ical inducer.

#### 10 SEC. 109. PROHIBITION ON LOAN DISCRIMINATION.

- 11 A financial institution may not discriminate against
- 12 an agricultural producer that refuses to use genetically en-
- 13 gineered plants or animals or add as condition to a loan
- 14 the requirement that the producer use genetically engi-
- 15 neered plants or animals.

#### 16 SEC. 110. CIVIL PENALTIES FOR VIOLATION.

- 17 (a) Authority To Assess Penalties.—The Sec-
- 18 retary may assess, by written order, a civil penalty against
- 19 a biotech company or other person that violates a provi-
- 20 sion of this title, including a regulation promulgated or
- 21 order issued under this title. Each violation, and each day
- 22 during which a violation continues, shall be a separate of-
- 23 fense.
- 24 (b) Amount and Factors in Assessing Pen-
- 25 ALTIES.—The maximum amount that may be assessed
- 26 under this section for a violation may not exceed

\$100,000. In determining the amount of the civil penalty, 1 2 the Secretary shall take into account— 3 (1) the gravity of the violation; 4 (2) the degree of culpability; (3) the size and type of the business commit-6 ting the violation; and 7 (4) any history of prior violations of this title 8 or other laws administered by the Secretary by such 9 business. 10 (c) NOTICE AND OPPORTUNITY FOR HEARING.—The 11 Secretary may not assess a civil penalty under this section 12 against a biotech company or other person unless the company is given notice and opportunity for a hearing on the record before the Secretary in accordance with sections 14 15 554 and 556 of title 5, United States Code. 16 (d) Judicial Review.—(1) An order assessing a 17 civil penalty against a person under subsection (a) may be reviewed only in accordance with this subsection. The 18 19 order shall be final and conclusive unless the person— 20 (A) not later than 30 days after the effective 21 date of the order, files a petition for judicial review 22 in the United States court of appeals for the circuit 23 in which the person resides or has its principal place 24 of business or in the United States Court of Appeals 25 for the District of Columbia; and

1	(B) simultaneously sends a copy of the petition
2	by certified mail to the Secretary.
3	(2) The Secretary shall promptly file in the court a
4	certified copy of the record on which the violation was
5	found and the civil penalty assessed.
6	(e) Collection Action for Failure To Pay As-
7	SESSMENT.—If a person fails to pay a civil penalty after
8	the order assessing the civil penalty has become final and
9	unappealable, the Secretary shall refer the matter to the
10	Attorney General, who shall bring a civil action to recover
11	the amount of the civil penalty in United States district
12	court. In the collection action, the validity and appro-
13	priateness of the order of the Secretary imposing the civil
14	penalty shall not be subject to review.
15	SEC. 111. CITIZEN SUITS.
16	(a) In General.—Except as provided in subsection
17	(c), any person may commence a civil action in an appro-
18	priate district court of the United States against—
19	(1) a person who has introduced a genetically
20	engineered organism into the environment without
21	approval under this Act;
22	(2) the Secretary, where there is alleged a fail-
23	ure of the Secretary to perform any act or duty
24	under this title that is the responsibility of the Sec-
25	retary and is not discretionary; or

1 (3) the head of another Federal agency	, if there
2 is alleged a failure of the agency head to	perform
any act or duty under this title that is the	responsi-
4 bility of the agency head and is not discretio	nary.
5 (b) Relief.—In a civil action under this sec	etion, the
6 district court involved may, as the case may be—	
7 (1) enforce the compliance of a person	with the
8 applicable provisions referred to in the comp	olaint; or
9 (2) order the Secretary or the agency	head to
perform the act or duty referred to in the co	omplaint
11 (c) Limitations.—	
12 (1) Notice to secretary.—A civil ac	tion may
not be commenced under subsection (a)(1	) before
the date that is 60 days after date on w	hich the
plaintiff has provided to the Secretary notice	ee of the
violation involved.	
17 (2) Relation to actions of secret	ARY.—A
civil action may not be commenced under su	absection
19 (a)(1) against the Secretary if the Secre	tary has
commenced and is diligently prosecuting a	civil or
criminal action in a district court of the	e United

States to enforce compliance with the applicable pro-

visions referred to in the complaint.

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- 1 (d) RIGHT OF SECRETARY TO INTERVENE.—In any
- 2 civil action under subsection (a)(1), the Secretary, if not
- 3 a party, may intervene as a matter of right.
- 4 (e) Award of Costs; Filing of Bond.—In a civil
- 5 action under subsection (a), the district court involved
- 6 may award costs of litigation (including reasonable attor-
- 7 ney and expert witness fees) to any party whenever the
- 8 court determines such an award is appropriate. The court
- 9 may, if a temporary restraining order or preliminary in-
- 10 junction is sought, require the filing of a bond or equiva-
- 11 lent security in accordance with the Federal Rules of Civil
- 12 Procedure.
- 13 (f) Savings Provision.—This section does not re-
- 14 strict any right that a person (or class of persons) may
- 15 have under any statute or common law to seek enforce-
- 16 ment of the provisions of this title, or to seek any other
- 17 relief (including relief against the Secretary or the head
- 18 of another Federal agency).
- 19 SEC. 112. DEFINITIONS.
- 20 In this Act:
- 21 (1) Genetically engineered animal.—The
- term "genetically engineered animal" means an ani-
- 23 mal that contains a genetically engineered material
- or was produced with a genetically engineered mate-
- 25 rial. An animal shall be considered to contain a ge-

- netically engineered material or to have been produced with a genetically engineered material if the animal has been injected or otherwise treated with a genetically engineered material or is the offspring of an animal that has been so injected or treated.
  - (2) Genetically engineered plant" means a plant that contains a genetically engineered material or was produced from a genetically engineered seed. A plant shall be considered to contain a genetically engineered material if the plant has been injected or otherwise treated with a genetically engineered material (except that the use of manure as a fertilizer for the plant may not be construed to mean that the plant is produced with a genetically engineered material).
  - (3) GENETICALLY ENGINEERED SEED.—The term "genetically engineered seed" means a seed that contains a genetically engineered material or was produced with a genetically engineered material. A seed shall be considered to contain a genetically engineered material or to have been produced with a genetically engineered material if the seed (or the plant from which the seed is derived) has been injected or otherwise treated with a genetically engineered.

- neered material (except that the use of manure as a fertilizer for the plant may not be construed to mean that any resulting seeds are produced with a genetically engineered material).
  - (4) Genetically engineered material.—
    The term "genetically engineered material" means material that has been altered at the molecular or cellular level by means that are not possible under natural conditions or processes (including recombinant DNA and RNA techniques, cell fusion, microencapsulation, macroencapsulation, gene deletion and doubling, introducing a foreign gene, and changing the positions of genes), other than a means consisting exclusively of breeding, conjugation, fermentation, hybridization, in vitro fertilization, tissue culture, or mutagenesis.
    - (5) BIOTECH COMPANY.—The term "biotech company" means a person engaged in the business of creating genetically engineered material or obtaining the patent rights to that material for the purposes of commercial exploitation of such material. The term does not include the employees of such person.
- (6) SECRETARY.—The term "Secretary" means
   the Secretary of Agriculture.

# TITLE II—GENETICALLY ENGI-

### 2 NEERED ORGANISM LIABIL-

# **3 ITY**

- 4 SEC. 201. SHORT TITLE.
- 5 This title may be cited as the "Genetically Engi-
- 6 neered Organism Liability Act of 2011".
- **7 SEC. 202. FINDINGS.**
- 8 Congress finds the following:
- 9 (1) The negative consequences of genetically en-
- gineered crops may impact farmers who grow these
- 11 crops, neighbor farmers who do not grow these
- 12 crops, and consumers.
- 13 (2) Biotech companies are selling a technology
- that is being commercialized ahead of the new and
- unknown science of genetic engineering.
- 16 (3) Farmers may suffer from crop failures,
- 17 neighbor and nearby farmers may suffer from cross
- 18 pollination, increased insect resistance, and un-
- wanted volunteer genetically engineered plants, and
- 20 consumers may suffer from health and environ-
- 21 mental impacts.
- 22 (4) Therefore, biotech companies should be
- found liable for the failures of genetically engineered
- crops when they arise.

#### SEC. 203. LIABILITY.

	2 (	(a)	CAUSE	OF	ACTION.—	A	biotech	company,	inclu	d
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- 3 ing a person acting in accordance with Federal, State, or
- 4 local law, is liable to any party injured by the release of
- 5 a genetically engineered organism into the environment if
- 6 that injury results from such genetic engineering. The pre-
- 7 vailing plaintiff in an action under this subsection may
- 8 recover reasonable attorney's fees and other litigation ex-
- 9 penses as a part of the costs.
- 10 (b) NOT WAIVABLE.—The liability created by sub-
- 11 section (a) may not be waived or otherwise avoided by con-
- 12 tract.
- (c) Definition.—As used in this section, the term
- 14 "biotech company" means a person—
- 15 (1) engaged in the business of genetically engi-
- 16 neering an organism; or
- 17 (2) obtaining the patent rights to such an orga-
- nism for the purposes of commercial exploitation of
- that organism.

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