

Bartz
McLaren
Guskiel
Kibbie
Fraise

SSB-1215

Agriculture

SENATE FILE _____ Succeeded By
BY (PROPOSED COMMITTEE ON **SF** HF **431**)
AGRICULTURE BILL BY
CHAIRPERSON McLAREN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to agricultural seeds and making penalties
2 applicable.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 159.6, Code 2001, is amended to by
2 adding the following new subsection:

3 NEW SUBSECTION. 6B. The Iowa seed law, chapter 199.

4 Sec. 2. Section 177.2, Code 2001, is amended by adding the
5 following new subsection:

6 NEW SUBSECTION. 3A. To study the impact of genetically
7 modified agricultural seed as defined in section 199.1,
8 including all issues relating to sound management practices,
9 the segregation of grain produced from field crops produced
10 from the seed, liability, and the marketability of those
11 crops.

12 Sec. 3. Section 177A.5, Code 2001, is amended to read as
13 follows:

14 177A.5 DUTIES -- PUBLIC NUISANCES.

15 1. The state entomologist shall keep informed as to known
16 species and varieties of insect pests and diseases, the
17 origin, locality, nature and appearance thereof, the manner in
18 which they are disseminated, and approved methods of treatment
19 and eradication.

20 2. In the rules made adopted pursuant to this-chapter
21 section 177A.6, the state entomologist shall list the
22 dangerously injurious insect pests and diseases which the
23 entomologist ~~shall-find~~ determines should be prevented from
24 being introduced into, or disseminated within, this state in
25 order to safeguard the plants and plant products likely to
26 become infested or infected with such insect pests and
27 diseases. ~~Every-such~~ Each insect pest and disease listed, and
28 ~~every each~~ plant product infested or infected therewith, is
29 hereby declared to be a public nuisance. ~~Every~~ A person who
30 has knowledge of the presence in or upon any place of any
31 insect pest or disease ~~so listed,~~ shall immediately report
32 information regarding the infestation or infection, including
33 ~~the fact-and location,~~ to the state entomologist, or the
34 assistant state entomologist, ~~giving-such-detailed-information~~
35 ~~relative-thereto-as-the-person-may-have.~~ Every A person who

1 deals in or engages in the sale of plants and plant products
2 shall furnish to the state entomologist or the entomologist's
3 inspectors, when requested, a statement of the names and
4 addresses of the persons from whom and the localities where
5 the person purchased or obtained such plants and plant
6 products.

7 3. The state entomologist shall consult with the secretary
8 of agriculture regarding the effect of genetically modified
9 agricultural seeds, as defined in section 199.1, upon insect
10 pests and diseases.

11 Sec. 4. Section 185.11, subsection 1, Code 2001, is
12 amended to read as follows:

13 1. Enter into contracts or agreements with recognized and
14 qualified agencies or organizations for the development and
15 carrying out of research and education programs directed
16 toward better and more efficient production, marketing, and
17 utilization of soybeans and soybean products. In carrying out
18 these functions, the board shall consider the impact of
19 genetically modified agricultural seeds, as defined in section
20 199.1, on research and education programs.

21 Sec. 5. Section 185A.2, subsection 1, Code 2001, is
22 amended to read as follows:

23 1. Aid in the promotion of the soybean industry of in Iowa
24 through education, research, marketing, transportation study,
25 and public relations programs, ~~and to~~. The association shall
26 foster research designed to develop new, additional and
27 improved uses for soybean products and determine better
28 methods of converting them soybeans to various industrial and
29 human consumption uses. In promoting the soybean industry in
30 Iowa, the association shall consider the impact of genetically
31 modified agricultural seeds, as defined in section 199.1, on
32 management practices, marketability, and liability.

33 Sec. 6. Section 185B.2, subsection 1, Code 2001, is
34 amended to read as follows:

35 1. Aid the promotion of corn growers and the corn industry

1 of in Iowa through education, research, marketing,
2 transportation study, and public relations programs, ~~and to~~.
3 The association shall foster research designed to develop new
4 additional and improved uses for corn products and determine
5 better methods of converting them to various industrial and
6 human consumption uses. In promoting the corn industry in
7 Iowa, the association shall consider the impact of genetically
8 modified agricultural seeds, as defined in section 199.1, on
9 management practices, marketability, and liability.

10 Sec. 7. Section 185C.11, subsection 1, Code 2001, is
11 amended to read as follows:

12 1. Enter into contracts or agreements with recognized and
13 qualified agencies or organizations for the development and
14 carrying out of research and education programs directed
15 toward better and more efficient production, marketing, and
16 utilization of corn and corn products. In carrying out these
17 functions, the board shall consider the impact of genetically
18 modified agricultural seeds, as defined in section 199.1, on
19 research and education programs.

20 Sec. 8. NEW SECTION. 199.0A SHORT TITLE.

21 This chapter shall be known and may be referred to as the
22 "Iowa Seed Law".

23 Sec. 9. Section 199.1, Code 2001, is amended by adding the
24 following new subsections:

25 NEW SUBSECTION. 1A. "Agricultural producer" means a
26 person who plants agricultural seed that produces a field
27 crop.

28 NEW SUBSECTION. 5A. "Contamination" means the unintended
29 presence of a plant or plant part transferred from an
30 originating area to another area without the presence of the
31 plant or plant part that alters the genetic characteristics of
32 a plant in that other area.

33 NEW SUBSECTION. 6A. "Designated crop" means a field crop
34 that is produced from an agricultural seed that has been
35 genetically modified.

1 NEW SUBSECTION. 6B. "Field crop" means any plant which is
2 used for food, animal feed, fiber, or oil, if the plant is
3 classified as a forage or cereal plant, including but not
4 limited to alfalfa, barley, buckwheat, corn, flax, forage,
5 millet, oats, popcorn, rye, sorghum, soybeans, sunflowers,
6 wheat, and grasses used for forage or silage.

7 NEW SUBSECTION. 6C. "Genetically modified" means to alter
8 the genetic characteristics of a plant by modifying the
9 deoxyribonucleic acid of the plant's seed in a manner other
10 than by breeding or pollination.

11 NEW SUBSECTION. 19A. "Seed dealer" means a person who
12 sells or offers for sale agricultural seed to persons on a
13 retail basis.

14 NEW SUBSECTION. 19B. "Seed labeler" means a person
15 required to label agricultural seed as provided in section
16 199.3 or 199.4.

17 NEW SUBSECTION. 19C. "Sell" or "sold" means to sell,
18 offer for sale, or expose for sale.

19 Sec. 10. Section 199.1, subsections 2 and 3, Code 2001,
20 are amended to read as follows:

21 2. "Agricultural seed" means grass, forage, cereal, oil,
22 fiber, and any other kind of crop seed commonly recognized
23 within this state as agricultural seed, lawn seed, vegetable
24 seed, or seed mixtures. Agricultural seed may include any
25 additional seed the secretary department designates by rules
26 adopted pursuant to chapter 17A.

27 3. "Certifying agency" means an agency authorized under
28 the laws of a state, territory, or possession to officially
29 certify seed and which has standards and procedures approved
30 by the United States secretary department of agriculture to
31 assure genetic purity and identity of the seed certified, or
32 an agency of a foreign country determined by the United States
33 secretary department of agriculture to adhere to the
34 procedures and standards for seed certification comparable to
35 those adhered to generally by seed certifying agencies in the

1 United States.

2 Sec. 11. Section 199.1, subsection 14, unnumbered
3 paragraph 1, Code 2001, is amended to read as follows:

4 "Noxious weed seed" shall be divided into two classes,
5 "primary noxious weed seed" and "secondary noxious weed seed"
6 which are defined in paragraphs "a" and "b" of this
7 subsection. The secretary department, upon the recommendation
8 of the dean of agriculture, Iowa State University of science
9 and technology, shall adopt as a rule, after public hearing,
10 pursuant to chapter 17A, the list of seed classified as
11 "primary noxious weed seed" and "secondary noxious weed seed".

12 Sec. 12. Section 199.1, subsection 20, Code 2001, is
13 amended to read as follows:

14 20. "Tolerance" means the allowable deviation from any
15 figure used on a label to designate the percentage of any
16 component or the number of seeds given for the lot in question
17 and is based on the law of normal variation from a mean. The
18 secretary department shall prepare tables of tolerances
19 allowable in the enforcement of this chapter and may be guided
20 in the preparation by the regulations under the federal Seed
21 Act, 7 C.F.R., sec. 201.59 et seq.

22 Sec. 13. Section 199.1, unnumbered paragraph 2, Code 2001,
23 is amended to read as follows:

24 The Iowa-secretary-of-agriculture department shall, by
25 rule, define the terms "breeder", "foundation", "registered",
26 "certified" and "inbred", as used in this chapter.

27 Sec. 14. Section 199.3, unnumbered paragraph 1, Code 2001,
28 is amended to read as follows:

29 Each A seed labeler shall label each container of
30 agricultural or vegetable seed which that is sold~~7-offered-for~~
31 ~~sale7-exposed-for-sale7~~ or transported within this state shall
32 ~~be-labeled~~ according to the following schedule:

33 Sec. 15. Section 199.3, subsection 3, paragraph i, Code
34 2001, is amended to read as follows:

35 i. Name and address of the person who labeled the seed, or

1 who sells~~7-offers7-or-exposes~~ the seed for-sale within the
2 state.

3 Sec. 16. Section 199.3, subsection 4, paragraph e,
4 unnumbered paragraph 1, Code 2001, is amended to read as
5 follows:

6 For seed which germinate less than the standard last
7 established by the secretary department in rules adopted under
8 chapter 17A:

9 Sec. 17. Section 199.3, subsection 5, paragraph d, Code
10 2001, is amended to read as follows:

11 d. Name and address of the person who labeled the seed, or
12 who sells~~7-offers7-or-exposes~~ the seed for-sale within the
13 state.

14 Sec. 18. Section 199.4, Code 2001, is amended to read as
15 follows:

16 199.4 SALES FROM BULK.

17 In case agricultural or vegetable seed is offered-or
18 exposed-for-sale-in-bulk-or sold from bulk, the information
19 required under section 199.3 may be supplied by a seed labeler
20 in a placard conspicuously displayed with-the-several-required
21 ~~items-thereon-or-a placard or in a~~ printed or written
22 statement to be furnished to any purchaser of the seed.

23 Sec. 19. NEW SECTION. 199.4A AGRICULTURAL PRODUCER --
24 LIABILITY.

25 An agricultural producer shall not be found to be liable
26 for damages caused by the contamination of the agricultural
27 producer's field crop if the contamination originates from
28 another person's property, including contamination caused by a
29 designated crop produced on another person's adjoining
30 property.

31 Sec. 20. Section 199.5, Code 2001, is amended to read as
32 follows:

33 199.5 HYBRID CORN.

34 ~~It-is-unlawful-for-any~~ A person to shall not sell7-offer-or
35 ~~expose-for-sale7~~ or falsely mark or tag, within the state any

1 seed corn as hybrid unless it falls within the definition of
2 hybrid in section 199.1.

3 Sec. 21. Section 199.6, unnumbered paragraph 1, Code 2001,
4 is amended to read as follows:

5 The container of any inoculant for leguminous plants which
6 is ~~sold, offered for sale, or exposed for sale~~ within the this
7 state shall bear a label giving in the English language in
8 legible letters the following information:

9 Sec. 22. Section 199.7, subsection 1, paragraph a, Code
10 2001, is amended to read as follows:

11 a. Such seed has been certified by a duly constituted
12 state authority or state association recognized by the ~~iowa~~
13 ~~secretary of agriculture~~ department.

14 Sec. 23. Section 199.7, unnumbered paragraph 2, Code 2001,
15 is amended to read as follows:

16 ~~It shall be unlawful for any~~ A person to shall not sell,
17 ~~offer for sale, or expose for sale~~ in the state any of the
18 following:

19 Sec. 24. Section 199.8, subsection 1, unnumbered paragraph
20 1, Code 2001, is amended to read as follows:

21 ~~It is unlawful for a~~ A person to shall not sell, transport,
22 ~~offer for sale, expose for sale,~~ or advertise an agricultural
23 or vegetable seed:

24 Sec. 25. Section 199.8, subsection 3, Code 2001, is
25 amended to read as follows:

26 3. ~~It is unlawful for a~~ A person to shall not sell,
27 transport, ~~offer for sale, expose for sale,~~ or advertise
28 screenings of any agricultural seed subject to this chapter,
29 unless it is stated on the label if in containers or on the
30 invoice if in bulk, that they are not intended for seeding
31 purposes. For the purpose of this subsection, "screenings"
32 includes chaff, empty florets, immature seed, weed seed, inert
33 matter, and other materials removed by cleaning from any
34 agricultural seed subject to this chapter.

35 Sec. 26. Section 199.9, subsection 2, Code 2001, is

1 amended to read as follows:

2 2. A person, including a seed dealer, is not subject to
3 the penalties of this chapter for having sold, offered or
4 ~~exposed for sale in this state any~~ agricultural seeds seed in
5 this state which were was incorrectly labeled or represented
6 advertised as to kind, species, variety, or origin when those
7 seeds the seed cannot be identified by examination, unless the
8 person has failed to obtain an invoice or genuine grower's
9 declaration or other labeling information and to take other
10 precautions as reasonable to ensure the identity. A genuine
11 grower's declaration of variety shall affirm that the grower
12 holds records of proof concerning parent seed such as invoices
13 and labels.

14 Sec. 27. Section 199.11, subsection 1, paragraph a, Code
15 2001, is amended to read as follows:

16 a. Sample, inspect, analyze, and test agricultural seed,
17 if the agricultural seed is transported, or sold, offered, or
18 ~~exposed for sale~~ within this state for sowing. The department
19 shall perform these duties at a time and place and to an
20 extent necessary to determine whether the agricultural seed is
21 in compliance with this chapter. The department shall
22 promptly notify the person who transported, or sold, offered,
23 ~~or exposed~~ the agricultural seed for sale, of a violation.

24 Sec. 28. Section 199.12, Code 2001, is amended to read as
25 follows:

26 199.12 SEIZURE OF UNLAWFUL SEED.

27 Upon the recommendation of the ~~secretary or the secretary's~~
28 ~~duty authorized agents~~ department, the court of competent
29 jurisdiction in the area in which the seed is located shall
30 cause the seizure and subsequent denaturing, conditioning, or
31 destruction to prevent the use for sowing purposes of any lot
32 of agricultural seed found to be prohibited from sale as set
33 forth in section 199.8, provided that in no instance shall the
34 denaturing, conditioning, or destruction be ordered without
35 first having given the claimant of the seed an opportunity to

1 apply to the court for the release of the seed.

2 Sec. 29. Section 199.13, Code 2001, is amended to read as
3 follows:

4 199.13 PENALTY.

5 A violation of this chapter is a simple misdemeanor. The
6 department may institute criminal or civil proceedings in a
7 court of competent jurisdiction to enforce this chapter. When
8 in the performance of the ~~secretary's~~ department's duties in
9 enforcing this chapter the ~~secretary~~ department applies to a
10 court for a temporary or permanent injunction restraining a
11 person from violating or continuing to violate any of the
12 provisions of this chapter or rules adopted under this
13 chapter, the injunction is to be issued without bond and the
14 person restrained by the injunction shall pay the costs made
15 necessary by the procedure.

16 Sec. 30. Section 199.14, Code 2001, is amended to read as
17 follows:

18 199.14 ENFORCEMENT.

19 ~~It shall be the duty of the secretary of agriculture and~~
20 ~~the secretary's agents, to~~ The department shall enforce this
21 chapter ~~and of the.~~ The county attorneys and of the attorney
22 general of the state ~~to co-operate~~ shall cooperate with the
23 ~~secretary~~ department in the enforcement of this chapter.

24 Sec. 31. Section 199.15, unnumbered paragraph 1, Code
25 2001, is amended to read as follows:

26 A person shall not sell, distribute, advertise, or solicit
27 orders ~~for~~ ~~offer~~ ~~or~~ ~~expose~~ ~~for~~ ~~sale~~, agricultural or
28 vegetable seed without first obtaining from the department a
29 permit to engage in the business. A permit is not required of
30 persons selling seeds which have been packed and distributed
31 by a person holding and having in force a permit. A permit is
32 not required of persons selling or advertising seed of their
33 own production, provided that the seed is stored or delivered
34 to a purchaser only on or from the farm or premises where
35 grown. The fee for a new permit is ten dollars and the fee

1 for a renewed permit is based on the gross annual sales of
2 seeds in Iowa during the previous twelve-month period under
3 the permit holder's label and all permits expire on the first
4 day of July following date of issue. Permits shall be issued
5 subject to the following fee schedule:

| 6 | Gross sales of seeds | Fee |
|----|----------------------------------|----------------|
| 7 | Not more than | \$ 25,000 \$30 |
| 8 | Over \$25,000 but not exceeding | 50,000 60 |
| 9 | Over \$50,000 but not exceeding | 100,000 90 |
| 10 | Over \$100,000 but not exceeding | 200,000 120 |

11 PARAGRAPH DIVIDED. For each additional increment of one
12 hundred thousand dollars of sales in Iowa the fee shall
13 increase by thirty dollars. The fee shall not exceed one
14 thousand five hundred dollars for a permit holder.

15 Sec. 32. Section 199.15, unnumbered paragraph 3, Code
16 2001, is amended to read as follows:

17 After due notice given at least ten days prior to a date of
18 hearing fixed provided by the secretary department, the
19 department may revoke or refuse to renew a permit issued under
20 this section if a violation of this chapter or if intent to
21 defraud is established. The failure to fulfill a contract to
22 repurchase the seed crop produced from any agricultural seed,
23 if the crop meets the requirements set forth in the contract
24 and the standards specified in this chapter, is prima facie
25 evidence of intent to defraud the purchaser at the time of
26 entering into the contract. However, this does not apply when
27 seed stock is furnished by the contractor to the grower at no
28 cost.

29 Sec. 33. Section 199.16, Code 2001, is amended to read as
30 follows:

31 199.16 PERMIT HOLDER'S BOND.

32 It is unlawful for the permit holder to enter into a
33 contract with a grower who purchases agricultural seed in
34 which the permit holder agrees to repurchase the seed crop
35 produced from the purchased seed at a price in excess of the

1 current market price, unless the permit holder has on file
2 with the department a bond, in a penal sum of twenty-five
3 thousand dollars running to the state of Iowa, with sureties
4 approved by the secretary department, for the use and benefit
5 of a person holding a repurchase contract who might have a
6 cause of action of any nature arising from the purchase or
7 contract. However, the aggregate liability of the surety to
8 all purchasers of seed holding repurchase contracts shall not
9 exceed the sum of the bond.

10 EXPLANATION

11 This Act amends a number of provisions relating to
12 agricultural seeds required to be labeled according to
13 regulations adopted by the department of agriculture and land
14 stewardship under Code chapter 199.

15 COORDINATING PROVISION. The bill amends Code section
16 159.6, which provides for general duties and powers of the
17 department, by adding a coordinating amendment that specifies
18 that the department is required to regulate and enforce Code
19 chapter 199.

20 CONSIDERATION AND STUDY REQUIRED BY INTERESTED AGENCIES AND
21 ORGANIZATIONS. The bill amends Code section 177.2 providing
22 duties of the Iowa crop improvement association. The bill
23 requires the association to study the impact of genetically
24 modified agricultural seed on issues relating to sound
25 management practices, the segregation of grain produced from
26 field crops produced from the seed, liability, and the
27 marketability of those crops.

28 The bill amends Code section 177A.5, which provides for the
29 duties and powers of the state entomologist. The bill
30 requires the state entomologist to consult with the secretary
31 of agriculture regarding the effect of genetically modified
32 agricultural seeds upon insect pests and diseases.

33 The bill amends Code section 185.11, which provides for the
34 purpose of the Iowa soybean promotion board, and Code section
35 185C.11, which provides for the purpose of the Iowa corn

1 promotion board. The bill provides that these organizations
 2 in carrying out research and education programs shall consider
 3 the impact of genetically modified agricultural seeds. The
 4 bill also amends Code section 185A.2, which provides for the
 5 duties of the Iowa soybean association, and Code section
 6 185B.2, which provides for the duties of the Iowa corn growers
 7 association. The bill provides that these organizations in
 8 carrying out activities relating to education, research,
 9 marketing, transportation, and public relations, must consider
 10 the impact of genetically modified agricultural seeds on
 11 management practices, marketability, and liability.

12 IOWA SEED LAW. The bill makes a number of changes to Code
 13 chapter 199, including changes to enhance readability and
 14 provide consistency with other provisions in the Code. The
 15 bill also limits liability of agricultural producers whose
 16 crops have been contaminated by genetically modified crops.

17 The bill names the Code chapter the "Iowa Seed Law". It
 18 provides a number of new definitions in part to improve
 19 readability and to provide for genetically modified
 20 agricultural seed. Various sections in the Code chapter refer
 21 to "sale", "sold", "offer for sale", and "exposed for sale".
 22 The bill defines the term "sale" based on current use in the
 23 various sections and amends the sections to use the term as
 24 defined. The bill amends various sections to replace the term
 25 "secretary" or "secretary of agriculture" with "department".
 26 The bill provides a definition of "seed labeler" and amends
 27 provisions in the Code chapter referring to the seed labeler's
 28 duty to provide labels as required in Code sections 199.3 and
 29 199.4. It amends Code section 199.9, which excepts from
 30 penalties under the chapter a person who unintentionally
 31 misrepresents seed sold. The bill provides that this person
 32 includes a seed dealer and replaces the term "represented"
 33 with "advertised" which is currently defined in Code section
 34 199.1.

35 The bill provides that an agricultural producer who

1 produces a field crop shall not be found to be liable for
2 damages caused by the contamination of the field crop,
3 including by a genetically modified designated crop, if the
4 contamination originates from another person's property.
5 "Contamination", "designated crop", "field crop", and
6 "genetically modified" are defined in the bill.

7 A person who violates the chapter's prohibitions is guilty
8 of a simple misdemeanor.

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4/6/01 Referred To: Agriculture

FILED MAR 15 '01

SENATE FILE 431
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO SSB 1215)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to agricultural seeds and making penalties
2 applicable.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 431

S.F. 431 H.F. _____

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3 NEW SUBSECTION. 6B. The Iowa seed law, chapter 199.

4 Sec. 2. Section 177.2, Code 2001, is amended by adding the
5 following new subsection:

6 NEW SUBSECTION. 3A. To study the impact of genetically
7 modified agricultural seed as defined in section 199.1,
8 including all issues relating to sound management practices,
9 the segregation of grain produced from field crops produced
10 from the seed, liability, and the marketability of those
11 crops.

12 Sec. 3. Section 177A.5, Code 2001, is amended to read as
13 follows:

14 177A.5 DUTIES -- PUBLIC NUISANCES.

15 1. The state entomologist shall keep informed as to known
16 species and varieties of insect pests and diseases, the
17 origin, locality, nature and appearance thereof, the manner in
18 which they are disseminated, and approved methods of treatment
19 and eradication.

20 2. In the rules made adopted pursuant to ~~this-chapter~~
21 section 177A.6, the state entomologist shall list the
22 dangerously injurious insect pests and diseases which the
23 entomologist ~~shall-find~~ determines should be prevented from
24 being introduced into, or disseminated within, this state in
25 order to safeguard the plants and plant products likely to
26 become infested or infected with such insect pests and
27 diseases. ~~Every-such~~ Each insect pest and disease listed, and
28 ~~every each~~ plant product infested or infected ~~therewith,~~ is
29 hereby declared to be a public nuisance. ~~Every~~ A person who
30 has knowledge of the presence in or upon any place of any
31 insect pest or disease ~~so listed,~~ shall immediately report
32 information regarding the infestation or infection, including
33 ~~the fact-and~~ location, to the state entomologist, or the
34 assistant state entomologist, ~~giving-such-detailed-information~~
35 ~~relative-thereto-as-the-person-may-have.~~ Every A person who

1 deals in or engages in the sale of plants and plant products
2 shall furnish to the state entomologist or the entomologist's
3 inspectors, when requested, a statement of the names and
4 addresses of the persons from whom and the localities where
5 the person purchased or obtained such plants and plant
6 products.

7 3. The state entomologist shall consult with the secretary
8 of agriculture regarding the effect of genetically modified
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13 1. Enter into contracts or agreements with recognized and
14 qualified agencies or organizations for the development and
15 carrying out of research and education programs directed
16 toward better and more efficient production, marketing, and
17 utilization of soybeans and soybean products. In carrying out
18 these functions, the board shall consider the impact of
19 genetically modified agricultural seeds, as defined in section
20 199.1, on research and education programs.

21 Sec. 5. Section 185A.2, subsection 1, Code 2001, is
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23 1. Aid in the promotion of the soybean industry of in Iowa
24 through education, research, marketing, transportation study,
25 and public relations programs, ~~and to~~. The association shall
26 foster research designed to develop new, additional and
27 improved uses for soybean products and determine better
28 methods of converting ~~them~~ soybeans to various industrial and
29 human consumption uses. In promoting the soybean industry in
30 Iowa, the association shall consider the impact of genetically
31 modified agricultural seeds, as defined in section 199.1, on
32 management practices, marketability, and liability.

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35 1. Aid the promotion of corn growers and the corn industry

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2 transportation study, and public relations programs, ~~and to~~.
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4 additional and improved uses for corn products and determine
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9 management practices, marketability, and liability.

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19 research and education programs.

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21 This chapter shall be known and may be referred to as the
22 "Iowa Seed Law".

23 Sec. 9. Section 199.1, Code 2001, is amended by adding the
24 following new subsections:

25 NEW SUBSECTION. 1A. "Agricultural producer" means a
26 person who plants agricultural seed that produces a field
27 crop.

28 NEW SUBSECTION. 5A. "Contamination" means the unintended
29 presence of a plant or plant part transferred from an
30 originating area to another area without the presence of the
31 plant or plant part that alters the genetic characteristics of
32 a plant in that other area.

33 NEW SUBSECTION. 6A. "Designated crop" means a field crop
34 that is produced from an agricultural seed that has been
35 genetically modified.

1 NEW SUBSECTION. 6B. "Field crop" means any plant which is
2 used for food, animal feed, fiber, or oil, if the plant is
3 classified as a forage or cereal plant, including but not
4 limited to alfalfa, barley, buckwheat, corn, flax, forage,
5 millet, oats, popcorn, rye, sorghum, soybeans, sunflowers,
6 wheat, and grasses used for forage or silage.

7 NEW SUBSECTION. 6C. "Genetically modified" means to alter
8 the genetic characteristics of a plant by modifying the
9 deoxyribonucleic acid of the plant's seed in a manner other
10 than by breeding or pollination.

11 NEW SUBSECTION. 19A. "Seed dealer" means a person who
12 sells or offers for sale agricultural seed to persons on a
13 retail basis.

14 NEW SUBSECTION. 19B. "Seed labeler" means a person
15 required to label agricultural seed as provided in section
16 199.3 or 199.4.

17 NEW SUBSECTION. 19C. "Sell" or "sold" means to sell,
18 offer for sale, or expose for sale.

19 Sec. 10. Section 199.1, subsections 2 and 3, Code 2001,
20 are amended to read as follows:

21 2. "Agricultural seed" means grass, forage, cereal, oil,
22 fiber, and any other kind of crop seed commonly recognized
23 within this state as agricultural seed, lawn seed, vegetable
24 seed, or seed mixtures. Agricultural seed may include any
25 additional seed the secretary department designates by rules
26 adopted pursuant to chapter 17A.

27 3. "Certifying agency" means an agency authorized under
28 the laws of a state, territory, or possession to officially
29 certify seed and which has standards and procedures approved
30 by the United States secretary department of agriculture to
31 assure genetic purity and identity of the seed certified, or
32 an agency of a foreign country determined by the United States
33 secretary department of agriculture to adhere to the
34 procedures and standards for seed certification comparable to
35 those adhered to generally by seed certifying agencies in the

1 United States.

2 Sec. 11. Section 199.1, subsection 14, unnumbered
3 paragraph 1, Code 2001, is amended to read as follows:

4 "Noxious weed seed" shall be divided into two classes,
5 "primary noxious weed seed" and "secondary noxious weed seed"
6 which are defined in paragraphs "a" and "b" of this
7 subsection. The secretary department, upon the recommendation
8 of the dean of agriculture, Iowa State University of science
9 and technology, shall adopt as a rule, after public hearing,
10 pursuant to chapter 17A, the list of seed classified as
11 "primary noxious weed seed" and "secondary noxious weed seed".

12 Sec. 12. Section 199.1, subsection 20, Code 2001, is
13 amended to read as follows:

14 20. "Tolerance" means the allowable deviation from any
15 figure used on a label to designate the percentage of any
16 component or the number of seeds given for the lot in question
17 and is based on the law of normal variation from a mean. The
18 secretary department shall prepare tables of tolerances
19 allowable in the enforcement of this chapter and may be guided
20 in the preparation by the regulations under the federal Seed
21 Act, 7 C.F.R., sec. 201.59 et seq.

22 Sec. 13. Section 199.1, unnumbered paragraph 2, Code 2001,
23 is amended to read as follows:

24 The ~~Iowa-secretary-of-agriculture~~ department shall, by
25 rule, define the terms "breeder", "foundation", "registered",
26 "certified" and "inbred", as used in this chapter.

27 Sec. 14. Section 199.3, unnumbered paragraph 1, Code 2001,
28 is amended to read as follows:

29 Each A seed labeler shall label each container of
30 agricultural or vegetable seed which that is sold~~7-offered-for~~
31 ~~sale7-exposed-for-sale7~~ or transported within this state ~~shall~~
32 ~~be-labeled~~ according to the following schedule:

33 Sec. 15. Section 199.3, subsection 3, paragraph i, Code
34 2001, is amended to read as follows:

35 i. Name and address of the person who labeled the seed, or

1 who sells, offers, or exposes the seed for sale within the
2 state.

3 Sec. 16. Section 199.3, subsection 4, paragraph e,
4 unnumbered paragraph 1, Code 2001, is amended to read as
5 follows:

6 For seed which germinate less than the standard last
7 established by the secretary department in rules adopted under
8 chapter 17A:

9 Sec. 17. Section 199.3, subsection 5, paragraph d, Code
10 2001, is amended to read as follows:

11 d. Name and address of the person who labeled the seed, or
12 who sells, offers, or exposes the seed for sale within the
13 state.

14 Sec. 18. Section 199.4, Code 2001, is amended to read as
15 follows:

16 199.4 SALES FROM BULK.

17 In case agricultural or vegetable seed is offered or
18 exposed for sale in bulk or sold from bulk, the information
19 required under section 199.3 may be supplied by a seed labeler
20 on a placard conspicuously displayed ~~with the several required~~
21 ~~items thereon or a placard or in a~~ printed or written
22 statement to be furnished to any purchaser of the seed.

23 Sec. 19. NEW SECTION. 199.4A AGRICULTURAL PRODUCER --
24 LIABILITY.

25 An agricultural producer shall not be found to be liable
26 for damages caused by the contamination of the agricultural
27 producer's field crop if the contamination originates from
28 another person's property, including contamination caused by a
29 designated crop produced on another person's adjoining
30 property.

31 Sec. 20. Section 199.5, Code 2001, is amended to read as
32 follows:

33 199.5 HYBRID CORN.

34 ~~It is unlawful for any~~ A person to shall not sell, offer or
35 ~~expose for sale,~~ or falsely mark or tag, within the state any

1 seed corn as hybrid unless it falls within the definition of
2 hybrid in section 199.1.

3 Sec. 21. Section 199.6, unnumbered paragraph 1, Code 2001,
4 is amended to read as follows:

5 The container of any inoculant for leguminous plants which
6 is sold, ~~offered-for-sale, or exposed-for-sale~~ within the this
7 state shall bear a label giving in the English language in
8 legible letters the following information:

9 Sec. 22. Section 199.7, subsection 1, paragraph a, Code
10 2001, is amended to read as follows:

11 a. Such seed has been certified by a duly constituted
12 state authority or state association recognized by the ~~Iowa~~
13 ~~secretary-of-agriculture~~ department.

14 Sec. 23. Section 199.7, unnumbered paragraph 2, Code 2001,
15 is amended to read as follows:

16 ~~It shall be unlawful for any~~ A person to shall not sell,
17 ~~offer-for-sale, or expose-for-sale~~ in the state any of the
18 following:

19 Sec. 24. Section 199.8, subsection 1, unnumbered paragraph
20 1, Code 2001, is amended to read as follows:

21 ~~It is unlawful for a~~ A person to shall not sell, transport,
22 ~~offer-for-sale, expose-for-sale,~~ or advertise an agricultural
23 or vegetable seed:

24 Sec. 25. Section 199.8, subsection 3, Code 2001, is
25 amended to read as follows:

26 3. ~~It is unlawful for a~~ A person to shall not sell,
27 transport, ~~offer-for-sale, expose-for-sale,~~ or advertise
28 screenings of any agricultural seed subject to this chapter,
29 unless it is stated on the label if in containers or on the
30 invoice if in bulk, that they are not intended for seeding
31 purposes. For the purpose of this subsection, "screenings"
32 includes chaff, empty florets, immature seed, weed seed, inert
33 matter, and other materials removed by cleaning from any
34 agricultural seed subject to this chapter.

35 Sec. 26. Section 199.9, subsection 2, Code 2001, is

1 amended to read as follows:

2 2. A person, including a seed dealer, is not subject to
3 the penalties of this chapter for having sold~~7-offered-or~~
4 ~~exposed-for-sale-in-this-state-any~~ agricultural seeds seed in
5 this state which ~~were~~ was incorrectly labeled or ~~represented~~
6 advertised as to kind, species, variety, or origin when those
7 ~~seeds~~ the seed cannot be identified by examination, unless the
8 person has failed to obtain an invoice or genuine grower's
9 declaration or other labeling information and to take other
10 precautions as reasonable to ensure the identity. A genuine
11 grower's declaration of variety shall affirm that the grower
12 holds records of proof concerning parent seed such as invoices
13 and labels.

14 Sec. 27. Section 199.11, subsection 1, paragraph a, Code
15 2001, is amended to read as follows:

16 a. Sample, inspect, analyze, and test agricultural seed,
17 if the agricultural seed is transported~~7~~ or sold~~7-offered7-or~~
18 ~~exposed-for-sale~~ within this state for sowing. The department
19 shall perform these duties at a time and place and to an
20 extent necessary to determine whether the agricultural seed is
21 in compliance with this chapter. The department shall
22 promptly notify the person who transported~~7~~ or sold~~7-offered7-~~
23 ~~or-exposed~~ the agricultural seed for sale~~7~~ of a violation.

24 Sec. 28. Section 199.12, Code 2001, is amended to read as
25 follows:

26 199.12 SEIZURE OF UNLAWFUL SEED.

27 Upon the recommendation of the ~~secretary-or-the-secretary's~~
28 ~~duly-authorized-agents~~ department, the court of competent
29 jurisdiction in the area in which the seed is located shall
30 cause the seizure and subsequent denaturing, conditioning, or
31 destruction to prevent the use for sowing purposes of any lot
32 of agricultural seed found to be prohibited from sale as set
33 forth in section 199.8, provided that in no instance shall the
34 denaturing, conditioning, or destruction be ordered without
35 first having given the claimant of the seed an opportunity to

1 apply to the court for the release of the seed.

2 Sec. 29. Section 199.13, Code 2001, is amended to read as
3 follows:

4 199.13 PENALTY.

5 A violation of this chapter is a simple misdemeanor. The
6 department may institute criminal or civil proceedings in a
7 court of competent jurisdiction to enforce this chapter. When
8 in the performance of the ~~secretary's~~ department's duties in
9 enforcing this chapter the ~~secretary~~ department applies to a
10 court for a temporary or permanent injunction restraining a
11 person from violating or continuing to violate any of the
12 provisions of this chapter or rules adopted under this
13 chapter, the injunction is to be issued without bond and the
14 person restrained by the injunction shall pay the costs made
15 necessary by the procedure.

16 Sec. 30. Section 199.14, Code 2001, is amended to read as
17 follows:

18 199.14 ENFORCEMENT.

19 ~~It shall be the duty of the secretary of agriculture, and~~
20 ~~the secretary's agents, to~~ The department shall enforce this
21 chapter ~~and of the~~. The county attorneys and ~~of the~~ attorney
22 general of the state ~~to co-operate~~ shall cooperate with the
23 ~~secretary~~ department in the enforcement of this chapter.

24 Sec. 31. Section 199.15, unnumbered paragraph 1, Code
25 2001, is amended to read as follows:

26 A person shall not sell, distribute, advertise, or solicit
27 orders for, ~~offer or expose for sale,~~ agricultural or
28 vegetable seed without first obtaining from the department a
29 permit to engage in the business. A permit is not required of
30 persons selling seeds which have been packed and distributed
31 by a person holding and having in force a permit. A permit is
32 not required of persons selling or advertising seed of their
33 own production, provided that the seed is stored or delivered
34 to a purchaser only on or from the farm or premises where
35 grown. The fee for a new permit is ten dollars and the fee

1 for a renewed permit is based on the gross annual sales of
2 seeds in Iowa during the previous twelve-month period under
3 the permit holder's label and all permits expire on the first
4 day of July following date of issue. Permits shall be issued
5 subject to the following fee schedule:

| 6 | Gross sales of seeds | Fee |
|----|----------------------------------|----------------|
| 7 | Not more than | \$ 25,000 \$30 |
| 8 | Over \$25,000 but not exceeding | 50,000 60 |
| 9 | Over \$50,000 but not exceeding | 100,000 90 |
| 10 | Over \$100,000 but not exceeding | 200,000 120 |

11 PARAGRAPH DIVIDED. For each additional increment of one
12 hundred thousand dollars of sales in Iowa the fee shall
13 increase by thirty dollars. The fee shall not exceed one
14 thousand five hundred dollars for a permit holder.

15 Sec. 32. Section 199.15, unnumbered paragraph 3, Code
16 2001, is amended to read as follows:

17 After due notice given at least ten days prior to a date of
18 hearing fixed provided by the secretary department, the
19 department may revoke or refuse to renew a permit issued under
20 this section if a violation of this chapter or if intent to
21 defraud is established. The failure to fulfill a contract to
22 repurchase the seed crop produced from any agricultural seed,
23 if the crop meets the requirements set forth in the contract
24 and the standards specified in this chapter, is prima facie
25 evidence of intent to defraud the purchaser at the time of
26 entering into the contract. However, this does not apply when
27 seed stock is furnished by the contractor to the grower at no
28 cost.

29 Sec. 33. Section 199.16, Code 2001, is amended to read as
30 follows:

31 199.16 PERMIT HOLDER'S BOND.

32 It is unlawful for the permit holder to enter into a
33 contract with a grower who purchases agricultural seed in
34 which the permit holder agrees to repurchase the seed crop
35 produced from the purchased seed at a price in excess of the

1 current market price, unless the permit holder has on file
2 with the department a bond, in a penal sum of twenty-five
3 thousand dollars running to the state of Iowa, with sureties
4 approved by the secretary department, for the use and benefit
5 of a person holding a repurchase contract who might have a
6 cause of action of any nature arising from the purchase or
7 contract. However, the aggregate liability of the surety to
8 all purchasers of seed holding repurchase contracts shall not
9 exceed the sum of the bond.

10 EXPLANATION

11 This Act amends a number of provisions relating to
12 agricultural seeds required to be labeled according to
13 regulations adopted by the department of agriculture and land
14 stewardship under Code chapter 199.

15 COORDINATING PROVISION. The bill amends Code section
16 159.6, which provides for general duties and powers of the
17 department, by adding a coordinating amendment that specifies
18 that the department is required to regulate and enforce Code
19 chapter 199.

20 CONSIDERATION AND STUDY REQUIRED BY INTERESTED AGENCIES AND
21 ORGANIZATIONS. The bill amends Code section 177.2 providing
22 duties of the Iowa crop improvement association. The bill
23 requires the association to study the impact of genetically
24 modified agricultural seed on issues relating to sound
25 management practices, the segregation of grain produced from
26 field crops produced from the seed, liability, and the
27 marketability of those crops.

28 The bill amends Code section 177A.5, which provides for the
29 duties and powers of the state entomologist. The bill
30 requires the state entomologist to consult with the secretary
31 of agriculture regarding the effect of genetically modified
32 agricultural seeds upon insect pests and diseases.

33 The bill amends Code section 185.11, which provides for the
34 purpose of the Iowa soybean promotion board, and Code section
35 185C.11, which provides for the purpose of the Iowa corn

1 promotion board. The bill provides that these organizations
2 in carrying out research and education programs shall consider
3 the impact of genetically modified agricultural seeds. The
4 bill also amends Code section 185A.2, which provides for the
5 duties of the Iowa soybean association, and Code section
6 185B.2, which provides for the duties of the Iowa corn growers
7 association. The bill provides that these organizations in
8 carrying out activities relating to education, research,
9 marketing, transportation, and public relations, must consider
10 the impact of genetically modified agricultural seeds on
11 management practices, marketability, and liability.

12 IOWA SEED LAW. The bill makes a number of changes to Code
13 chapter 199, including changes to enhance readability and
14 provide consistency with other provisions in the Code. The
15 bill also limits liability of agricultural producers whose
16 crops have been contaminated by genetically modified crops.

17 The bill names the Code chapter the "Iowa Seed Law". It
18 provides a number of new definitions in part to improve
19 readability and to provide for genetically modified
20 agricultural seed. Various sections in the Code chapter refer
21 to "sale", "sold", "offer for sale", and "exposed for sale".
22 The bill defines the term "sale" based on current use in the
23 various sections and amends the sections to use the term as
24 defined. The bill amends various sections to replace the term
25 "secretary" or "secretary of agriculture" with "department".
26 The bill provides a definition of "seed labeler" and amends
27 provisions in the Code chapter referring to the seed labeler's
28 duty to provide labels as required in Code sections 199.3 and
29 199.4. It amends Code section 199.9, which excepts from
30 penalties under the chapter a person who unintentionally
31 misrepresents seed sold. The bill provides that this person
32 includes a seed dealer and replaces the term "represented"
33 with "advertised" which is currently defined in Code section
34 199.1.

35 The bill provides that an agricultural producer who

1 produces a field crop shall not be found to be liable for
2 damages caused by the contamination of the field crop,
3 including by a genetically modified designated crop, if the
4 contamination originates from another person's property.
5 "Contamination", "designated crop", "field crop", and
6 "genetically modified" are defined in the bill.

7 A person who violates the chapter's prohibitions is guilty
8 of a simple misdemeanor.

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**SENATE FILE 431
FISCAL NOTE**

A fiscal note for **Senate File 431** is hereby submitted pursuant to Joint Rule 17 and as a correctional impact statement pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 431 establishes Iowa Seed Law which requires a person selling seed in Iowa to list their name and address on the seed label or a placard for bulk seed containers. The Bill specifies the Department of Agriculture and Land Stewardship to study the impact of genetically modified agricultural seed and encourages the Soybean Promotion Board, the Iowa Soybean Association, the Corn Growers Association, and the Corn Promotion Board to consider the impact of genetically modified seeds in their marketing programs and management practices. The Bill specifies a violation of the Iowa Seed Law is a simple misdemeanor and the Department is responsible for enforcement.

ASSUMPTIONS

1. Senate File 431 will require the following positions to be added to the Department of Agriculture and Land Stewardship:

| | |
|----------------------------|----------|
| 1 Environmental Specialist | \$47,000 |
| 1 Plant Pathologist | \$44,000 |
| 3 Agriculture Inspectors | \$98,000 |
| 1 Laboratory Assistant | \$27,000 |
| 2 Clerk Specialists | \$57,000 |
| 1 Information Specialist | \$45,000 |

2. Network support under Senate File 431 is expected to cost approximately \$50,000 for FY 2002 and subsequent years.
3. Telephone and supply costs are estimated at \$4,000 for FY 2002 and subsequent years.
4. The estimated cost to conduct a study on modified agricultural seed is \$50,000 in FY 2002.
5. Estimated equipment cost for FY 2002 is \$78,000. This estimate includes four vehicles at a cost of \$64,000, and nine computers at a cost of \$14,000. Vehicle depreciation is estimated at \$28,000 for FY 2002 and subsequent years.
6. The median cost for attorney time and paralegal time per case is \$200 for a simple misdemeanor. Court costs for a simple misdemeanor range \$50 to \$500. A simple misdemeanor may serve up to 30 days in a residential Community-Based Correctional program, however, it is unlikely.

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CORRECTIONAL IMPACT

The number of convictions under Senate File 431 is unknown. Any correctional impact resulting from Senate File 431 is expected to be minimal.

FISCAL IMPACT

The estimated fiscal impact of Senate File 431 is an increase in General Fund expenditures of \$530,000 and 9.00 FTE positions for FY 2002. The fiscal impact for FY 2003 and subsequent years is \$402,000 and no change in FTE positions.

The cost associated with violations of the Iowa Seed Law cannot be determined. The estimated cost for each person convicted would range from \$250 to \$700.

SOURCES

Department of Agriculture and Land Stewardship
Criminal and Juvenile Justice Planning Division, Department of Human Rights

(LSB 3069SV, DFK)

FILED MARCH 20, 2001

BY DENNIS PROUTY, FISCAL DIRECTOR