

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Without Recommendation as to Passage and Be Referred to the Committee on Rules and then Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	5 - 4 - 0
Yeas:	Clem, McKeown, Reardon, Unger, Witt
Nays:	Esquivel, Krieger, Thompson, Whitsett
Exc.:	0
Prepared By:	Beth Patrino, Administrator
Meeting Dates:	3/26, 3/28, 4/2

WHAT THE MEASURE DOES: Defines farmer, genetically engineered (GE), manufacturer, modern biotechnology, open field production, pharmaceutical crop, and seed contract. Declares person is not liable for possession or use of GE plant if not in breach of seed contract and if unknowingly came into possession of GE plant. Declares manufacturer releasing GE plant that causes contamination to be liable as private nuisance if manufacturer has not entered into seed contract or license for plant and has caused unreasonable and substantial interference that has resulted in more than \$3,500 damage in calendar year. Restricts seed contract language from allowing manufacturer to take seeds or plants from contracting farmer without permission. Requires manufacturer to allow farmer, Oregon Department of Agriculture (ODA), or other representative to accompany manufacturer when acquiring seeds. Outlines recourse for manufacturer if farmer denies request. Stipulates rules for production of pharmaceutical crop, including prohibition on open field production. Requires person intending to engage in open field production of GE crop to notify ODA at least 30 days prior, and authorizes penalties for violation. Requires ODA Director and Oregon Health Authority appointee to oppose permits for prohibited biopharmaceutical crop production.

ISSUES DISCUSSED:

- Process used by GE farmer to eliminate chance of contamination
- GE foods in average American diet
- Consumption of GE crops
- Genesis of fear of GE crops

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Genetically engineered (GE) materials are created by artificially inserting genetic material from one or more organisms into the genetic code of another organism using modern genetic engineering techniques. GE plants are eligible for patents. Holders of patents may seek to protect and/or enforce their rights by filing suit against potential patent infringers. Every year, up to 500 farmers are investigated by patent holders. Currently, five states—North Dakota South Dakota, California, Vermont and Indiana—have laws that provide procedural protections for farmers accused of patent infringement of GE plants. House Bill 2736 provides procedural protections for Oregon farmers accused of infringing a GE plant patent if that farmer was not in breach of a seed contract and unknowingly came into possession of GE plant.