

March 16, 2017

Chair Representative Jeff Barker House Committee on Judiciary Re: Hearing on HB2739

Chair Barker and Members of the Committee:

We urge you to support HB2739 and to send it to the full House of Representatives with a "do pass" recommendation. Please accept this testimony on behalf of the Center for Food Safety (CFS). CFS's mission is to empower people, support farmers, and protect the earth from the harmful impacts of industrial agriculture. Through groundbreaking legal, scientific, and grassroots action, CFS protects and promotes the public's right to safe food and the environment. CFS has more than 830,000 consumer and farmer supporters across the country, and tens of thousands in Oregon.

Background and Credentials

As a central part of that mission, CFS advocates for the federal, state, and local regulation of genetically engineered (GE) crops in a way that addresses their economic and environmental impacts, such as transgenic contamination of conventional or organic crops or the environment, the increased use of pesticides, and the evolution of pesticide-resistant weeds. CFS has worked on the issue of genetically engineered crops oversight for nearly two decades, at all levels of governance. For example and to that end, we have worked with dozens of states in crafting bills pertaining to genetically engineered crops and foods, and their oversight. CFS has a major program area specific to GE crops, and numerous staff members—scientific, policy, campaign, and legal—whose daily work encompasses the topic. CFS staff are recognized experts in the field, intimately familiar with the issue of GE crops, the inadequacy of their oversight, their health risks, and their adverse environmental and economic impacts. When necessary, we engage in public interest litigation on behalf of farmers; many of these cases center on the issue of transgenic contamination.

As we have done across the country, here in Oregon, our Pacific Northwest office has worked with local leaders on crafting of legislation addressing the adverse impacts of industrial agriculture at both the state and local level. For example, we supported the successful ordinance creating a GE-free zone in Jackson County, as we have similar ordinances in numerous other counties in other states. Subsequently, we assisted in the successful defense of the Jackson county ordinance as Defendant-Intervenors and counsel

in *Schultz v. Jackson County*, No. 1:14-cv-01975, 2015 WL 3448069 (D. Or. May 29, 2015). We have consistently advocated for farmers who are harmed by genetically engineered crops, including by one of the biggest threats, transgenic contamination.

TESTIMONY ON HB2739

HB2739 will properly put the liability for contamination by genetically engineered crops with the companies that sell and profit from genetically engineered crops, and deserves your support. Who should bear the burden of contamination by GE crops, plants, and animals? The farmer who is trying to grow organic Swiss chard seed for other farmers and gardeners? Or the landowner who has been infested by hard-to-eradicate GE creeping bentgrass? CFS believes it is the patentholder who should pay for damages caused by their patented GE organisms. When a company sells a product that winds up causing damages, our legal system has long held that such a company is liable for its products' damage. The same should hold true for the multinational agrochemical companies that engineer and sell genetically engineered crops, when these crops contaminate non-GE crops and harm the livelihoods of farmers. Every GE crop that has been released into the environment has caused contamination of non-GE counterparts or wild relatives. As described in detail below, the treat of GE or transgenic contamination is both real and serious for farmers in Oregon. One need look no further than the current struggle to contain GE creeping bentgrass in Malheur and Jefferson Counties for evidence that GE crops cause damage to farmers and landowners, and their creators (Scotts/Monsanto) often seek to avoid responsibility for cleaning up their mess.

HB2739 would create a cause of action for farmers or landowners harmed by the unwanted presence of genetically engineered organisms on their land, imposing liability for economic damage on the *patentholder* for that genetically engineered organism. HB2739 does not pit farmer against farmer, instead it allows people harmed by GE crops to collect triple damages from the creator of those crops. This is a sound policy both scientifically (patented GE DNA can be traced back to the patentholder) and legally. HB2739 is needed because the transgenic contamination is real and damaging, and to make clear that Oregon's small farmers and landowners can compensated when, not if, it happens.

Economic Impacts of Genetically Engineered Crops

GE crops have significant impacts on our agricultural economy, public health, and the environment – they are not benign. First and foremost of these is transgenic contamination: the unintended, undesired presence of transgenic material in organic or traditional crops, as well as wild plants. Transgenic contamination happens through, among other means, wind- or insect-mediated cross-pollination, seed mixing, faulty or negligent containment, and weather events.¹ Government audits, farmers, and scientific researchers have

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¹ See, e.g., Geertson Seed Farms v. Johanns, No. C 06–01075 CRB, 2007 WL 518624, at *4 (N.D. Cal. Feb. 13, 2007) ("[C]ontamination can occur through pollination of non-genetically engineered plants by genetically engineered plants or by the mixing of genetically engineered seed with natural, or non-genetically engineered seed."). Michelle Marvier & Rene C. Van Acker, Can Crop Transgenes Be Kept on a Leash?, 3 Frontiers Ecology & Env't

repeatedly documented transgenic contamination in a variety of crops including but not limited to alfalfa, canola, corn, rice, wheat, and sugar beets.

Harm from transgenic contamination manifests several ways. As the U.S. Supreme Court has explained, this "injury has an environmental as well as an economic component." *Monsanto Co. v. Geertson Seed Farms*, 561 U.S. 139, 155 (2010). The agronomic injury causes significant economic damage to farmers: Over the past decade, transgenic contamination has cost U.S. farmers literally billions of dollars in rejected sales, lost exports, and closed agricultural markets, with new episodes cropping up regularly. GE contamination has significant economic effects. A single incident of GE contamination can—and has—cost farmers hundreds of millions of dollars. These contamination episodes continue: there is currently a 4 billion dollar lawsuit over contamination of U.S. corn exports stemming from a new genetically engineered corn produced by Syngenta.

Contamination can cause organic growers to lose their customers and markets, since organic consumers demand their products be free of transgenic content; as polls show, it is one of the major reasons they buy organic, to avoid GE foods.

Additionally, contamination can be irreparable, because once it occurs, it becomes difficult or impossible to contain, resulting in a fundamental loss of choice for farmers and consumers. See, e.g., Geertson Seed Farms, 2007 WL 518624, at *9 ("For those farmers who choose to grow non-genetically engineered alfalfa, the possibility that their crops will be infected with the engineered gene is tantamount to the elimination of all alfalfa; they cannot grow their chosen crop."); Ctr. for Food Safety v. Vilsack, No. C 08-00484 JSW, 2009 WL 3047227, at *8 (N.D. Cal. Sept. 21, 2009). Unlike chemical pollution that dissipates over time, transgenic contamination is a living form of biological pollution that can instead spread over time and space. Geertson Seed Farms, 2007 WL 518624, at *5 ("Once the gene transmission occurs and a farmer's seed crop is contaminated with the Roundup Ready gene, there is no way for the farmer to remove the gene from the crop or control its further

99, 100-01 (2005), available at https://ic.ucsc.edu/~cshennan/envs133/readings/gm_crops_and_release_risk.pdf.

² Robert Patrick, Genetic rice lawsuit in St. Louis settled for \$750 million, St. Louis Dispatch (Jul. 2, 2011), http://www.stltoday.com/news/local/metro/genetic-rice-lawsuit-in-st-louis-settled-for-million/article_38270243-c82f-5682-ba3b-8f8e24b85a92.html; K.L. Hewlett, The Economic Impacts of GM Contamination Incidents on the Organic Sector (2008), available at http://goo.gl/jf2F5E; Stuart Smyth et al., Liabilities & Economics of Transgenic Crops, 20 Nature Biotech. 537, 537 (2002), available at http://goo.gl/KeDRPX; Carey Gillam, U.S. Organic Food Industry Fears GMO Contamination, Reuters, Mar. 12, 2008, http://goo.gl/nkC52J.

³ Tom Polansek, *China rejections of GMO U.S. corn cost up to \$2.9 billion*, Reuters, Apr. 16, 2014, http://goo.gl/5Nc6Ub.

⁴ See, e.g., In re Genetically Modified Rice Litig., 666 F. Supp. 2d 1004 (E.D. Mo. 2009); In re Genetically Modified Rice Litig., No. 4:06-MD-1811 CDP, 2009 WL 4801399 (E.D. Mo. Dec. 9, 2009).

⁵ In Re: Syngenta AG MIR162 Corn Litigation, No. 2:14-md-2591-JWL (D. Kansas), http://www.syngentacornlitigation.com/news/.

spread."). And once contamination occurs, evidence shows this contamination can persist for many years.

Even the risk of transgenic contamination alone causes significant economic harm to farmers: lost opportunity costs by forgoing planting otherwise lucrative crops because of contamination risk; DNA testing costs; and precautions, such as buffer zones or other planting efforts to try and minimize contamination likelihood. These contamination avoidance burdens currently all fall on the traditional farmer to try and "fence out" such harm from damaging their property interests. Such a standard is contrary to hundreds of years of property law, which teaches that the entity causing the property harm—not those being harmed from it—should have such burdens to prevent harm to his or her neighbor.

Environmental and Agronomic Harms of GE Crops

In addition to transgenic contamination, GE crops have significant other environmental and agronomic impacts. GE crops, which are overwhelmingly engineered to do one thing only—be resistant to herbicides—have also massively increased overall herbicide use in U.S. agriculture, by hundreds of millions of pounds. The vast majority of GE crops are engineered to withstand what would otherwise be fatal applications of the herbicide glyphosate, commonly known as "Roundup." In the mid-1990s, Monsanto started genetically engineering "Roundup Ready" crops, leading to "an exponential increase in the use of glyphosate-based herbicides around the world." "Roundup Ready" crop systems have made glyphosate the most heavily-used pesticide in the history of agriculture. In 2007, American farmers applied 180-185 million pounds of the chemical. Overall, glyphosate use in American agriculture jumped tenfold from 1995 to 2007. Over the 16 years from 1996 to 2012, genetically engineered crops increased herbicide use by at least 527 million pounds.

The increased herbicide use associated with GE crops threatens Oregon's watersheds and creates health risks for farm workers, community members, and wildlife. GE crops have also reduced biodiversity through the transgenic contamination of local varieties and native

⁶ G. Squire et al., *The Potential for Oilseed Rape Feral (Volunteer) Weeds to Cause Impurities in Later Oilseed Rape Crops*, Dep't for Env't, Food and Rural Affairs (August 2003) (documenting canola contamination lasting 16 years).

⁷ Relyea, R.A., 2011. "Amphibians Are Not Ready for Roundup", in J.E. Elliott et al. (eds.), Wildlife Ecotoxicology: Forensic Approaches, pp. 267 – 300, at 270 and Figure 9.1, available at https://www.biology.pitt.edu/sites/default/files/facilities-images/Relyea%20286.pdf.

⁸ U.S. EPA, Biological and Economic Analysis Div., Office of Pesticide Programs, Pesticide Industry Sales and Usage: 2006 and 2007 Market Estimates, tbl. 3.6 (2011). Total 2007 glyphosate usage in the United States of 198-208 million lbs. is more than twice as high as the second-leading pesticide, and exceeds even the peak U.S. production of DDT. Nat'l Pesticide Info. Ctr., Oregon State Univ., DDT Technical Fact Sheet, http://npic.orst.edu/factsheets/ddttech.pdf. Peak DDT production in the United States was 188 million lbs. in 1963. *Id*.

⁹ Robert Service, A Growing Threat Down on the Farm, 316 Sci. 1114, 1114-17 (May 25, 2007).

¹⁰ Benbrook, C., *Impacts of genetically engineered crops on pesticide use in the U.S. – the first sixteen years*, Env'l Sci. Europe 2012 24:24 (2012), available at https://goo.gl/QnmCn0.

flora. They have also spawned an epidemic of herbicide-resistant superweeds that already cover over 60 million acres of U.S. farmland, 11 costing U.S. farmers millions of extra dollars in weed control. 12 Increased use of glyphosate will worsen the glyphosate-resistant weed epidemic. The attempted eradication of superweeds will only lead to more herbicide use, causing further damage to our agricultural areas and to our drinking water, and posing health risks to farm workers, wildlife, and consumers. Indeed, older and more toxic herbicides are already being touted as the solution to the rise of superweeds. Monsanto and Dow have already genetically engineered corn, soy, and cotton with "stacked" traits, so they are resistant to both glyphosate and either 2,4-D or dicamba. 13 2,4-D is one of the ingredients in the infamous "Agent Orange" defoliant manufactured by Monsanto and used during the Vietnam War. EPA has now approved the 2,4-D and glyphosate combo for GE corn and soy, and dicamba for GE cotton and soy, despite public outcry and concern over the impacts of massive increases in use of these older and more dangerous herbicides. 14 Illegal use of dicamba on the GE crops has already caused massive damage to row crops and orchards. 15

Transgenic Contamination in Oregon

Oregon is no stranger to the harmful economic effects of transgenic contamination. In 2013, the discovery of experimental, unapproved GE wheat in an eastern Oregon field cost Oregon farmers access to vital export markets and caused untold financial losses. ¹⁶ Monsanto conducted field trials of its Roundup-Ready GE wheat from 1998 to 2005, but discontinued trials and did not seek approval from USDA due to concern from the wheat industry that contamination could harm exports. Nearly a decade after fields trials were ended, the GE wheat was found on a farmer's field in eastern Oregon, leading major soft white wheat importers Japan and South Korea to suspend shipments from Oregon growers.

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¹¹ *Id*.

¹² Service, A growing threat down on the farm, Science 316: 1114-1117 (2007); William Neuman & Andrew Pollack, Farmers Cope With Roundup-Resistant Weeds, NY Times (May 3, 2010), http://www.nytimes.com/2010/05/04/business/energy-environment/04weed.html?
pagewanted=all; and see http://weww.nytimes.com/2010/05/04/business/energy-environment/04weed.html?
pagewanted=all; and see http://weedscience.org/summary/moa.aspx?MOAID=12.

http://www.usj.com/articles/SB10001424052748704025304575284390777746822.

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Across U.S. Farms, Bloomberg (Sept. 1, 2016); Lorraine Chow, Missouri's Largest Peach Farmer Sues Monsanto for Losses From Illegal Herbicide Use, EcoWatch (Dec. 8, 2016) http://www.ecowatch.com/missouri-peach-farm-sues-monsanto-dicamba-drift-2133507960.html.

¹⁶ Carey Gillam, *Monsanto settles farmer lawsuits over experimental GMO wheat*, Reuters (Nov. 12, 2014), http://www.reuters.com/article/usa-monsanto-wheat-idUSL2N0T22O820141112.

After this market upset, farmers from Oregon, Washington and the Midwest sued Monsanto for its failure to prevent the contamination, including testing the experimental variety without adequate safeguards to ensure that it would not be released into fields where it could comingle with non-GE wheat varieties. Monsanto settled these claims, agreeing to pay millions into a settlement fund for farmers in Washington, Oregon and Idaho who sold soft white wheat.

Oregon is unique in having great growing conditions for certain types of seeds; the Willamette Valley is known as the grass seed capital of the world, and about half of the entire nation's supply of vegetable beet seeds is grown in the Willamette Valley and Rogue Valley of Oregon. Seed crops are particularly vulnerable to transgenic contamination because seed crops cannot test positive for GE traits and they take multiple seasons to grow to harvest, increasing the time for potential contamination. In Jackson County, farmers growing Beta crop seeds (Swiss Chard, beets) have had to destroy their seed crop after learning that Syngenta was growing GE sugar beets within distances close enough for cross-pollination. When growers reached out to Syngenta, the multinational chemical company refused to come to the table or compromise as to the placement of their GE sugar beets. This is part of what lead to the creation of the seed sanctuary in Jackson County, by an ordinance prohibiting the growth of GE crops. Unfortunately, other counties are currently preempted from creating GE-free zones, unless HB2469 is passed this session. Oregon's farmers are left without recourse when their individual crops are damaged by GE contamination.

The continuing horror story of GE bentgrass and the company responsible is a potent example of why HB739 is needed. Back in 2002, Scotts and Monsanto field tested GE bentgrass, resistant to Roundup, for use on golf courses and petitioned USDA for its approval. This GE grass had an even greater potential for contamination than other GE crops like corn or soy, because it can cross-pollinate with related wild species, many such relatives exist, and its tiny seeds and even lighter pollen can be carried on the wind for many miles. In 2003, GE bentgrass did indeed escape field trials, established itself in the wilds of Idaho and eastern Oregon and even the Crooked River National Grassland.¹⁷ This GE bentgrass was never commercially approved, but was tested here despite the protests of many Oregon grass seed farmers. The Center for Food Safety successfully sued over the field trials, resulting in a federal court finding them unlawful. Remarkably, USDA had failed to analyze the environmental impacts of the GE grass escaping the trials. Int'l Ctr. for Tech. Assessment v. Johanns, 473 F. Supp. 2d 9, 13, 29 (D.D.C. 2007). Although field trials were halted and that should have been the end of GE bentgrass, in 2011, out of the blue, farmers found feral populations of the GE grass thriving in the wild, five years after Scotts and Monsanto had indicated it was all cleaned up. Scotts/Monsanto came up with a new plan to control the spread of the GE grass, assuring Oregon farmers and the

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¹⁷ Jay R. Reichman et al., Establishment of Transgenic Herbicide-Resistant Creeping Bentgrass (Agrostis solonifera L.) in Nonagronomic Habitats, 15 Mol. Ecol. 4243, 4245 (2006), https://goo.gl/HdR4vQ.

Department of Agriculture that they would take responsibility for their rogue grass. Farmers remained concerned¹⁸ about Scotts/Monsanto fulfilling its promise, and rightly so.

However, after four years of failing to eradicate GE bentgrass in Oregon, Scotts/Monsanto came up with a new plan: 19 in exchange for a promise to USDA they would not commercialize the GE grass, USDA would finally grant their petition to approve it. However, once USDA granted the approval, USDA would lose the authority it has to make the companies clean up the mess, pushing the problem instead onto the shoulders of the local farmers and the state. Moreover, Scotts/Monsanto's "promise" not to commercialize GE bentgrass is only good, at most, through 2023, and revocable at any time by Scotts. Both ODA²⁰ and Oregon farmers²¹ opposed this plan, but USDA signed off and approved Scotts/Monsanto's petition for deregulation of the grass anyway.²² Even Oregon's U.S. Senators, Ron Wyden and Jeff Merkley, wrote to USDA asking it to reconsider its decision to deregulate GE bentgrass, citing contamination concerns, especially for rural counties like Malheur and Linn, the grass seed capital.²³ U.S. Fish & Wildlife Service warned USDA, as it had during the first approval petition, that escaped GE bentgrass would spread and edgeout native species and take over their habitat, likely causing the extinction of at least three endangered species (two endangered plants and a butterfly, the Fender Blue Butterfly), and potentially dozens more endangered species.²⁴ The GE grass has now proven itself to be nearly impossible to eradicate: it spreads easily, is hybridizing with wild relatives, and it lives in irrigation and drainage ditches that are seasonally full of water, but it was engineered to be resistant to the only herbicide approved for use over water. It has even been classified as a Class A noxious weed by the Malheur County Weed Board, but that leaves farmers and landowners on the hook to eradicate this weed when it infests their land. And Scotts/Monsanto no longer has to pay for this weed control.

¹⁸ Sean Ellis, Farmers worry who will control escaped genetically engineered bentgrass, Capital Press (June 23, 2016), http://www.capitalpress.com/Oregon/20160623/farmers-worry-who-will-control-escaped-genetically-engineered-bentgrass.

¹⁹ George Kimbrell, *Meet Monsanto's Dangerous Bioengineered Plant That Never Dies*, Alternet (Dec. 17, 2016), http://www.alternet.org/environment/sordid-tale-monsantos-genetically-engineered-bentgrass-dangerous-grass-never-dies.

²⁰ Mateusz Perkowski, *ODA opposes deregulation of biotech bentgrass*, Capital Press (Mar. 30, 2016) http://www.capitalpress.com/Oregon/20160329/oda-opposes-deregulation-of-biotech-bentgrass.

²¹ Sean Ellis, Farmers challenge USDA's GMO bentgrass plan, Capital Press (Mar. 2, 2016) http://www.capitalpress.com/Oregon/20160302/farmers-challenge-usdas-gmo-bentgrass-plan.

²² Sean Ellis, *Final analysis recommends deregulation of GE bentgrass*, Capital Press (Dec. 8, 2016), http://www.capitalpress.com/Oregon/20161208/final-analysis-recommends-deregulation-of-ge-bentgrass.

²³ Senator Merkley, Wyden, Merkley Urge Feds To Reconsider Deregulating Genetically Engineered Plant (Jan. 19, 2017), https://www.merkley.senate.gov/news/press-releases/wyden-merkley-urge-feds-to-reconsider-deregulating-genetically-engineered-plant.

²⁴ U.S. Fish & Wildlife Service, Draft Biological Opinion on GE Creeping Bentgrass, http://www.centerforfoodsafety.org/files/fws-biop-on-rr-bentgrass-deregulation_received-via-foia_2011_49385.pdf (obtained through Freedom of Information Act request).

No Federal Protection from Economic Harms of GE Crops

Unfortunately, the U.S. Department of Agriculture currently does not protect traditional farmers from transgenic contamination. But more generally, USDA's oversight has been found severely lacking repeatedly by government reports and courts. USDA's oversight of experimental field trials of GE crops has repeatedly failed, as evinced by the local GE bentgrass and GE wheat examples, among others. For example, 2008 Government Accountability Office (GAO) study analyzed several major transgenic contamination incidences stemming from experimental field trials in from the past decade, noting the billions of dollars in economic damages associated with them.²⁵ The GAO concluded that "the ease with which genetic material from crops can be spread makes future releases likely."²⁶ When it comes to commercial GE crops, USDA disavows any oversight whatsoever, refusing to continue to monitor or restrict them in any way to help prevent contamination of traditional farmers.

Time For Action To Protect Oregon Farmers' and Landowners From GE Contamination

As explained above, transgenic contamination is both a real and costly threat. While some commodity crop growers have had success recuperating losses from the patentholders who engineer and sell these GE crops (Monsanto, Sygenta, etc),²⁷ what are so-called "specialty" crop farmers to do when a seed crop is lost, or an individual landowner who is saddled with costly and difficult weed control mandates? HB2739 would create a simple cause of action allowing those damaged by GE contamination to recover, triple their economic damages, under Oregon state law. It is a straightforward way for individuals to put liability for GE contamination where it belongs, with the patentholder. These companies are aware of the potential for contamination, as so many costly episodes have made clear, and are the ones who release these GE crops into the environment, through field trials and through contracts with the farmers that grow commercialized GE crops. When their GE varieties go out and cause damages to Oregon's farmers and economy, Oregonians should be able to

²⁵ U.S. Gov't Accountability Office, Genetically Engineered Crops: Agencies Are Proposing Changes To Improve Oversight, But Could Take Additional Steps To Enhance Coordination And Monitoring (Nov. 2008) available at http://www.gao.gov/new.items/d0960.pdf at 44 ("After two decades of experience with field trials, it is widely acknowledged that unauthorized releases of regulated material from field trial sites are likely to occur in the future"). The GAO Report documented six events of GE crops contaminating the food and feed supply, including the 2000 StarLink Corn incident, causing between \$26 to \$288 million in economic damages; the 2002 Prodigene Corn contamination incident where a variety of GE corn designed to create a pig vaccine protein contaminated non-GE corn; the 2004 Syngenta Bt Corn incident where a pesticidal Bt corn determined not to suitable for commercialization was illegally released onto 37,000 acres; the 2006 Event 32 Corn incident where 72,000 acres were planted to 3 lines of corn contaminated with regulated GE pesticidal corn; and the 2006 Liberty Link Rice incident where GE rice contaminated export rice stocks causing economic damages of over \$1 billion. *Id.* at 3.

²⁷ Supra n.2, n.4-5, n.16 (corn, rice, wheat contamination lawsuits).

recover from these companies. HB2739 does not create any cause of action against other farmers, but rightfully puts liability where it should rest, on the makers and sellers of these dangerous products.

For these reasons, we urge you to support HB2739 to provide clear and common sense protection to farmers and landowners harmed by genetically engineered organisms. Thank you for hearing HB2739 and please send this important bill to the full House with a "do pass" recommendation. I'm happy to answer any questions the Committee may have or otherwise be a resource as might be helpful.

Sincerely,

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