HOUSE BILL No. 2881

By Committee on Judiciary

2-13

AN ACT concerning seed contracts.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) As used in this section:

- (1) "Farmer" means the person responsible for planting a crop on, managing the crop, and harvesting the crop from real property on which the seed is planted.
- (2) "Seed" means the seed of grass, legume, forage, cereal and fiber crops, or mixtures thereof, used to grow a commercial agricultural crop.
- (3) "Seed contract" means a written contract between a seed supplier and a farmer that a farmer must sign to obtain the seed or the right to plant the seed.
- (4) "Seed commissioner" refers to an employee in the department of agriculture, appointed by the secretary of agriculture, who is knowledgeable about seed genetics.
- (5) "Seed supplier" means a person engaged in commercial production and supply of either seed or technology genetically engineered into seed.
- (b) All seed contracts shall be governed by the provisions of this act. Provisions of seed contracts in conflict with or purporting to waive any provision of this act shall be void and unenforceable against a farmer.
- (c) A seed contract shall not give a seed supplier the right to enter real property owned or occupied by the farmer to acquire samples of the crop grown from the seed or any other plant growing on the real property unless the seed supplier has given written notice to the farmer and the secretary of agriculture of the seed supplier's belief that a patent infringement has occurred and intent to enter the real property. Notice shall be given not later than five business days before the day the seed supplier enters the real property. The notice shall include the date and time of the entry upon the land and the purpose for the entry upon the land.
- (d) A farmer has a right of action against a seed supplier if the seed supplier enters real property owned or occupied by the farmer in violation of this section.
- (e) The seed supplier shall permit the farmer, the seed commissioner or the commissioner's agent to accompany the seed supplier or the seed

supplier's agent while samples are taken. The seed supplier shall permit the farmer or the seed commissioner to take matching samples or receive split samples of any samples taken by the seed supplier. These samples shall be retained for future comparison and verification purposes in the possession of the secretary of agriculture. If the commissioner or the commissioner's agent accompanies the seed supplier on the real property to take samples under this section, the seed supplier and the farmer shall each pay 50% of the reasonable costs incurred by the commissioner or the commissioner's agent, as determined by the secretary, in connection with such activities.

- (f) Any testing of such samples shall also be conducted by an independent laboratory.
- (g) If a seed supplier files a suit against a farmer, the seed supplier shall provide simultaneous written notice of the suit to the secretary of agriculture. If a seed supplier files a suit against a farmer, the farmer shall not be considered to be breaching a confidentiality provision in a seed contract regarding the terms or advice on a seed contract between a farmer and:
 - (1) A member of the farmer's immediate family;
- (2) an attorney;
- (3) an accountant;
- (4) a professional advisor; or
- (5) a partner, an associate or another individual engaged with the farmer in the farming enterprise for which the seed was purchased.
- (h) If the seed supplier believes that a patent infringement has occurred and destruction of such crop is believed to occur, the farmer may seek a protection order from the district court. The protection order may not interrupt or interfere with normal farming practices, including harvest and tillage.
- (i) If a farmer prevails in an action, the farmer is entitled to recover from the seed supplier any actual damages proven by the farmer resulting from the seed supplier's violations and the farmer's reasonable attorney fees and other litigation costs reasonably incurred in connection with the action
- (j) If it is shown that the farmer has a product on such farmer's real property in which the seed supplier has rights but the farmer did not intend for such product to be on the farmer's real property, the farmer is not liable for breach of the seed contract or violation of any of the seed supplier's property rights.
- (k) The secretary of agriculture shall adopt rules and regulations as are necessary to implement the provisions of this section.
- Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.