

House Study Bill 18

Conference Committee Text

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1 1 Section 1. FINDINGS. The general assembly finds that the
1 2 production of agricultural food products and commodities
1 3 constitutes an important and significant portion of the state
1 4 economy and that it is imperative to protect the vitality of
1 5 the agricultural economy of this state by providing a cause of
1 6 action for producers, marketers, or sellers to recover damages
1 7 for the disparagement of any perishable agricultural food
1 8 product or commodity.

1 9 Sec. 2. NEW SECTION. 673.1 DEFINITIONS.

1 10 1. "Disparagement" means the willful dissemination in any
1 11 manner of false information to the public that a perishable
1 12 agricultural food product or commodity is not safe for human
1 13 consumption or that generally accepted agricultural and
1 14 management practices make a perishable agricultural food
1 15 product or commodity unsafe for human consumption.
1 16 Information shall be considered false if it is not based upon
1 17 reasonable and scientific inquiry, facts, or data.

1 18 2. "Perishable agricultural food product or commodity"
1 19 means any agricultural food product or commodity that is sold
1 20 or distributed in a form that will perish or decay beyond
1 21 marketability within a certain period of time.

1 22 Sec. 3. NEW SECTION. 673.2 CAUSE OF ACTION.

1 23 1. A person who produces, processes, markets, or sells a
1 24 perishable agricultural food product or commodity and who
1 25 suffers damage as the result of disparagement of the product
1 26 or commodity may bring an action for injunctive relief,
1 27 general and special damages, attorney's fees, and court costs.

1 28 2. A person who intentionally disparages perishable
1 29 agricultural food products or commodities for the purpose of
1 30 harming those products or commodities is liable for treble
1 31 damages.

1 32 Sec. 4. Section [614.1](#), Code 1995, is amended by adding the
1 33 following new subsection:

1 34 NEW SUBSECTION. 14. DISPARAGEMENT. An action for damages
1 35 for disparagement of perishable agricultural food products or
2 1 commodities under section 673.2 shall be commenced within two
2 2 years from the date of the incident giving rise to the cause
2 3 of action.

2 4 Sec. 5. APPLICABILITY. This Act applies to causes of
2 5 action which accrue on or after the effective date of the Act.

2 6 Sec. 6. EFFECTIVE DATE. This Act, being deemed of
2 7 immediate importance, takes effect upon enactment.

2 8 EXPLANATION

2 9 This bill prohibits disparagement of perishable
2 10 agricultural food products or commodities. Disparagement is
2 11 defined as the willful dissemination of false information to
2 12 the public that a perishable agricultural food product or
2 13 commodity is not safe for human consumption or that generally
2 14 accepted agricultural and management practices make a
2 15 perishable agricultural food product or commodity unsafe for
2 16 human consumption. Dissemination can be made in any manner
2 17 and information is considered false if it is not based on
2 18 reasonable and scientific inquiry, facts, or data.

2 19 The bill creates a cause of action for a person who
2 20 produces, processes, markets, or sells a perishable
2 21 agricultural food product or commodity who has suffered

2 22 damages as the result of disparagement of the product or
2 23 commodity. A person who intentionally disparages is liable
2 24 for treble damages. An action for disparagement must be
2 25 commenced within two years from the date of the incident
2 26 giving rise to the cause of action.
2 27 This bill applies only to disparagement which occurs on or
2 28 after the effective date of this bill. This bill is made
2 29 immediately effective.
2 30 LSB 1764YC 76
2 31 js/jj/8