1	SENATE FLOOR VERSION			
	February 8, 2022			
2	AS AMENDED			
3	SENATE BILL NO. 1261 By: Howard			
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6	An Act relating to damages; amending 2 O.S. 2021, Section 3-82, which relates to the Combined Pesticide			
7	Law; clarifying language; limiting award for damages to growing crops or plants in civil actions for			
8	certain violations; requiring registration as an environmentally sensitive crop within certain time			
9	period prior to action alleging damages; providing for codification; and providing an effective date.			
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12	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:			
13	SECTION 1. AMENDATORY 2 O.S. 2021, Section 3-82, is			
14	amended to read as follows:			
15	Section 3-82. A. LICENSE REQUIRED - 1. It shall be unlawful			
16	for any person to act, operate, or do business or advertise as a			
17	commercial, noncommercial, certified applicator, temporary certified			
18	applicator, service technician, or private applicator unless the			
19	person has obtained a valid applicator's license issued by the State			
20	Board of Agriculture for the category of pesticide application in			
21	which the person is engaged.			
22	2. A license may be issued by the Board in any category of			
23	pesticide application if the applicant qualifies and the applicant			
24	is limited to the category of pesticide application named on the			

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license. The Board may establish categories of pesticide
 application as necessary. Licenses shall be issued upon application
 to the Board on a form prescribed by the Board. The application
 shall contain information regarding the applicant's qualifications,
 proposed operations, and other information as specified by the
 Board.

7	3.	a.	An aerial license shall not be issued or be valid
8			unless the applicant files with the Board a copy of a
9			valid document issued by the Federal Aviation
10			Administration showing that the person is qualified to
11			operate or supervise the operation of an aircraft
12			conducting agricultural operations. Applicants for an
13			aerial license and pilots working under a license may
14			be subject to a complete and thorough background
15			examination.

b. The Board shall promulgate rules regarding aerial
applicators and applications consistent with federal
law and shall solicit the assistance of the Federal
Aviation Agency Administration in the enforcement of
this subsection.

4. Each business location shall require a separate license and
separate certified applicator except that a certified applicator for
a noncommercial business location may also serve as the certified
applicator for one commercial business location.

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5. A license shall not be issued for the category of pesticide
 application of any applicant or representative who has a temporary
 certification.

CERTIFICATION REQUIRED - 1. A license shall be issued only 4 в. 5 after satisfactory completion of the certification standards by the person who shall be the certified applicator under the license. 6 Temporary certified applicators do not qualify as the certified 7 applicator for a license, nor may they act as a certified 8 9 applicator. The Board shall deny the application for certification, recertification, issuance, or renewal of a certificate or license 10 for a failure to show proper qualification under the rules or for 11 12 violations of any provisions of this section. A certificate in any 13 category shall be valid for five (5) years unless suspended, canceled, or revoked by the Board or until recertification is 14 required for the category, and may be renewed after successful 15 completion of recertification requirements. The Board may require 16 certified applicators to be recertified once in a five-year period. 17

18 2. A certified service technician identification shall be 19 issued upon application and completion of certification standards 20 determined by the Board. Temporary certified applicators may 21 qualify as a certified service technician. No person shall act, do 22 business as, or advertise as a service technician unless the person 23 has met all the qualifications and standards as required by the 24 Board. The service technicians' identification shall be issued in

1 the name of the licensed entity. The licensee shall ensure that the service technician identification is returned to the Board upon 2 termination of the employee. A service technician identification 3 shall be valid for a period of five (5) years unless suspended, 4 5 canceled, or revoked by the Board, until recertification is required by the Board, or until the service technician leaves the employ of 6 the licensed entity. The Oklahoma Department of Agriculture, Food, 7 and Forestry may issue a service technician identification upon 8 9 completion of the following:

a. a determination is made by the Department that the
applicant has successfully completed the written
examination,

b. the licensed entity provides a completed service
technician identification application form at the time
of testing, and

all appropriate fees are paid at the time of testing. 16 с. 3. Each license, except for private applicators, shall expire 17 on dates established by the Department in administrative rules and 18 may be renewed for the ensuing calendar year, without penalty or 19 reexamination, if a properly completed application is filed with the 20 Board on a date established by the Department. If the application 21 is not received by the due date, a penalty of twice the amount of 22 the renewal fee shall be charged for renewal of the license. If the 23 application is not received within thirty (30) days following the 24

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1 due date, an additional one-hundred-dollar penalty shall be paid 2 prior to license renewal.

All private applicator licenses are in effect for five (5) years and may be renewed by application after completion of a continuing education program or written exam approved by the Board.

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C. The following fees shall be paid to the Board:

1. A fee of One Hundred Dollars (\$100.00) for each category of
pesticide application shall be paid to the Board for the issuance or
renewal of a commercial applicator business license. Not more than
Five Hundred Dollars (\$500.00) total category fees shall be charged
annually to any business location of an applicator;

12 2. A fee of Fifty Dollars (\$50.00) shall be paid to the Board13 for each written examination conducted by the Board;

14 3. A fee of Fifty Dollars (\$50.00) shall be paid to the Board15 for each practical examination conducted by the Board;

4. A fee of Twenty Dollars (\$20.00) shall be paid to the Board
for the issuance or renewal of a private applicator's license;
5. A fee of Fifty Dollars (\$50.00) shall be paid to the Board
for the issuance or renewal of a noncommercial business license.
Not more than Two Hundred Fifty Dollars (\$250.00) total category

21 fees shall be charged annually to any noncommercial business

22 location of an applicator;

6. A fee of Twenty Dollars (\$20.00) shall be paid to the Board
for the issuance or renewal of service technician identification;

7. A fee of Ten Dollars (\$10.00) shall be paid to the Board for
 the issuance of duplicate licenses or certificates or transfer of
 service technician identification;

4 8. A fee of Fifty Dollars (\$50.00) shall be paid to the Board
5 for each recertification procedure; and

9. A fee of One Hundred Dollars (\$100.00) shall be paid to the
7 Board for each reciprocal certification procedure for applicator
8 certifications.

9 D. All fees shall be deposited in the State Department of10 Agriculture Revolving Fund.

E. Fees shall be paid to the Board prior to the processing of any application.

F. Failure to pay any fee identified with licenses, permits, pesticide registrations, or certification shall require the Board to deny the application.

INSURANCE REQUIRED - 1. The Board shall not issue a 16 G. commercial applicator's license until the applicant has furnished 17 evidence of an insurance policy or certificate by an insurer or 18 broker authorized to do business in this state insuring the 19 commercial applicator and any agents against liability resulting 20 from the operations of the commercial applicator. The insurance 21 shall not be applied to damage or injury to agricultural crops, 22 plants, or land being worked upon by the commercial applicator. 23

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1 2. The amount of liability shall not be less than that set by the Board for each property damage arising out of actual use of any 2 pesticide. The liability shall be maintained at not less than that 3 sum at all times during the licensing period. The Board shall be 4 5 notified fifteen (15) days prior to any reduction in liability. 3. If the furnished liability becomes unsatisfactory, the 6 applicant shall immediately execute new liability upon notice from 7 the Board. If new liability is not immediately obtained, the Board 8 9 shall, upon notice, cancel the license. It shall be unlawful for 10 the person to engage in the business of applying pesticides until the liability is brought into compliance and the license reinstated. 11 12 Η. DAMAGES - 1. An award of damages to growing crops or plants resulting from negligent application or unintentional drift off 13 target that is a violation of the Combined Pesticide Law shall be 14 15 limited to: crops or plants that are insurable under the Federal 16 a. Crop Insurance Corporation program; or 17 crops or plants that are directly sold by the producer 18 b. to the consumer. 19 In a civil action arising from damages to growing crops or 20 plants pursuant to this subsection, an award of actual damages shall 21 not exceed the amount of compensation a producer has received from 22 proven yield from the affected area. If the producer has no proven 23 yield from the affected area, an award of actual damages shall not 24

## 1 exceed an amount equal to the county average yield for the specific 2 crop or plant as calculated by the Federal Crop Insurance

## 3 Corporation program.

<u>2.</u> Prior to filing an action against an applicator for damages
to growing crops or plants, any person alleging damages to growing
crops or plants shall:

- a. within ninety (90) calendar days of the date that the
  alleged damages occurred or prior to the time that
  twenty-five percent (25%) of the allegedly damaged
  crops or plants are harvested, whichever occurs first,
  file a written complaint statement with the Department
  regarding the alleged damages, and
- b. <u>if the claim is for damages to an environmentally</u>
  sensitive crop, have registered the crop as an
  <u>environmentally sensitive crop and the location of</u>
  <u>such crop with the Oklahoma Department of Agriculture,</u>
  <u>Food, and Forestry no fewer than fourteen (14)</u>
  <u>calendar days prior to the date that the alleged</u>
  damages occurred, and
- 20c.between the date of filing of the written complaint21pursuant to subparagraph a of this paragraph and the22date harvesting or destruction of the allegedly23damaged crops or plants occurs, allow the applicator24and the representatives of the applicator reasonable

1 access to the property to inspect and take samples of 2 the allegedly damaged crops or plants during reasonable hours. The representatives of the 3 applicator may include, but not be limited to, crop 4 5 consultants, bondsmen, and insurers. Nothing in this subparagraph shall limit in any way the harvesting or 6 destruction of the allegedly damaged crops or plants 7 in the ordinary course of business and practice. 8

9 2.3. Any person failing to comply with paragraph 1 2 of this
10 subsection shall be barred from filing an action for damages against
11 the applicator.

I. PERMIT REQUIRED - 1. It shall be unlawful for any person to sell, offer for sale, or distribute within this state any restricted use pesticide without first obtaining a restricted use pesticide dealer's permit issued by the Board.

16 2. A permit may be issued by the Board in any category of 17 pesticide sales if the applicant qualifies under the provisions of 18 this section and the applicant is limited to the category of 19 pesticide sales named on the permit. The Board may establish 20 categories of pesticide sales as necessary.

3. The permit shall be issued only upon application on a form prescribed by the Board and the application shall contain information regarding the applicant's proposed operation and other information as specified by the Board.

4. Each business location engaged in the sale or distribution
 of restricted use pesticides shall require a separate permit.

3 5. The annual permit fee for a restricted use pesticide dealer4 permit shall be Fifty Dollars (\$50.00) for each location.

5 6. The Board may require a certified applicator to be present
6 at any location where designated restricted use pesticide sales
7 occur.

J. PESTICIDE REGISTRATION REQUIRED - 1. Every pesticide or
device distributed, sold, or offered for sale within this state or
delivered for transportation or transported in intrastate or
interstate commerce shall be registered with the Board.

The registrant shall file with the Board a statement
 including, but not limited to:

14a.the name and address of the registrant and the name15and address of the person whose name shall appear on16the label, if other than the registrant,

17 b. the name of the pesticide or device,

c. a complete copy of the labeling accompanying the
pesticide or device and a statement of all claims to
be made for it, and directions for use, and
d. if requested by the Board, a full description of the
tests made and the results upon which the claims are

based. In renewing a registration, a statement shall
 be required only with respect to information which is

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different from the information furnished when the pesticide or device was last registered.

3. Each registrant shall pay to the Board an annual 3 registration fee of Two Hundred Ten Dollars (\$210.00) for each 4 5 pesticide or device label registered. These fees shall be used by the Oklahoma Department of Agriculture, Food, and Forestry for 6 purposes of administering pesticide management programs. A portion 7 of these fees, in the amount of Three Hundred Thousand Dollars 8 9 (\$300,000.00) annually, shall be dedicated for conducting programs 10 for unwanted pesticide disposal. This amount shall be deposited into the State Department of Agriculture Unwanted Pesticide Disposal 11 12 Fund and shall be dedicated for this use only.

4. The Board may require the submission of the complete formula of any pesticide. Trade secrets and formulations submitted by the registrant may be kept confidential. If it appears to the Board that the composition of the pesticide is adequate to warrant the proposed claims and if the pesticide, its labeling, and other material required to be submitted comply with the requirements of this section, then the pesticide shall be registered.

5. If it does not appear to the Board that the pesticide or device is adequate to warrant the proposed claims for it or if the pesticide or device, its labeling, and other material required to be submitted do not comply with the provisions of this section, it shall notify the applicant of the deficiencies in the pesticide,

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1 device, labeling, or other material required and afford the 2 applicant an opportunity to make the necessary corrections. If the applicant claims, in writing, that the corrections are not necessary 3 and requests in writing a hearing regarding the registration of the 4 5 pesticide or device, the Board shall provide an opportunity for a hearing before refusing to issue the registration. In order to 6 protect the public, the Board may at any time cancel the 7 registration of a product or device. In no event, shall 8 9 registration of a pesticide or device be considered as a defense or excuse for the commission of any offense prohibited under this 10 section. 11

12 6. The Board may require that pesticides be distinctively13 colored or discolored to protect the public health.

14 7. Registration shall not be required in the case of a 15 pesticide shipped from one plant or place within this state to 16 another plant or place within this state that is operated by the 17 same person.

18 K. CATEGORIES OF LICENSES AND PERMITS - The Board may establish 19 any category of license for pesticide application or any category of 20 permit for pesticide sales.

L. PERMIT AND PESTICIDE REGISTRATION EXPIRATION - 1. All permits for pesticide sales shall be issued for a period of one (1) year and the permits shall be renewed annually and shall expire on a date determined by the Board. A permit may be renewed for the

ensuing year, without penalty, if a properly completed application is filed with the Board not later than the fifteenth day of the month first following the date of expiration. If the application is not received by that date, a penalty of twice the amount of the renewal fee shall be charged for renewal of the permit.

2. All pesticide registrations shall be issued for a period of 6 one (1) year. The registration shall be renewed annually and shall 7 expire on a date to be determined by the Board. Pesticide 8 9 registrations may be renewed for the ensuing year, without penalty, 10 if a properly completed application is filed with the Board not later than the fifteenth day of the month first following the date 11 12 of expiration. If the application is not received by that date, a penalty of twice the amount of the renewal fee shall be charged for 13 renewal of the pesticide registration. 14

M. PESTICIDE PRODUCING ESTABLISHMENTS - 1. Definitions as used in this subsection:

a. "establishment" means any site where a pesticide
product, active ingredient or device is produced
within the state,

b. "produce" means to manufacture, prepare, propagate,
compound or process any pesticide or to package,
repackage, label, relabel or otherwise change the
container of any pesticide or device, and

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c. "producer" means any person who produces,
 manufactures, prepares, compounds, propagates or
 processes any active ingredient, pesticide, or device
 as used in producing a pesticide.

2. It shall be unlawful for any person to produce within this
state any pesticide, active ingredient or device without first
obtaining a pesticide producer establishment permit issued by the
Board.

9 3. The permit shall be issued only upon application on a form prescribed by the Board. The application shall contain information 10 regarding the proposed operation of the applicant and other 11 12 information as specified by the Board. If at any time there is a change of the information provided in or on the application for a 13 pesticide producer establishment permit, the producer must notify 14 the Board in writing within thirty (30) calendar days of the change. 15 The producer shall file a statement with the Board including 16 4. but not limited to: 17

18 a. the name and address of the company,

- b. the name and address of the establishment as well as
  the physical location, if different than the mailing
  address,
- c. the name of any pesticide, active ingredient, ordevice, and
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d. the name and address and other pertinent contact information for the responsible party.

5. All permits for pesticide producer establishments shall be 3 issued for a period of one (1) year and shall be renewed annually. 4 5 All permits shall expire on June 30 each year and may be renewed without penalty if a properly completed application is filed with 6 the Board not later than the fifteenth day of the month first 7 following the date of expiration. If the application is not 8 9 received by that date, a penalty of twice the amount of the renewal 10 fee shall be charged for renewal of the permit.

Each pesticide producer establishment location engaged in
 the production of pesticides, active ingredients or devices shall
 require a separate permit.

14 7. The annual permit fee for a pesticide producer establishment15 shall be One Hundred Dollars (\$100.00) for each location.

16 8. If requested by the Board, a complete copy of all labeling, 17 Material Safety Data Sheets, technical information associated with 18 the pesticide, active ingredient, or device and a statement of all 19 claims to be made as well as directions and use must be submitted to 20 the Board.

9. In order to determine compliance with state and federal
 laws, the Board may request a full disclosure of inventory records,
 sales and distribution records, and any other information deemed
 necessary by the Board.

1 10. Every producer shall keep accurate records pertaining to pesticide, active ingredient, or device production and distribution 2 as required by the Board. The records of the producer shall be kept 3 intact at the principal producing location in this state for at 4 5 least two (2) years after the date of production and distribution and copies shall be furnished to any authorized agent of the Board, 6 immediately upon request in person, at any time during the regular 7 business hours of the producer. Copies of records shall be 8 9 furnished to any authorized agent of the Board within seven (7) working days of a written request, in summary form, by mail, fax, 10 email, website, or any other electronic media customarily used. 11

N. COMPLAINT RESOLUTION - Upon receipt of a written complaint, 12 the Board shall notify the person filing the complaint in writing of 13 its receipt and status within two (2) working days. The person whom 14 the complaint is filed against shall also be notified within two (2) 15 working days. Notification that a complaint has been filed may also 16 be given to the landowner or operator when appropriate. The 17 resolution of a complaint is the completion of the appropriate 18 administrative, jurisdictional, or legal remedies to the extent 19 possible by the Department. The complainant shall be notified in 20 writing within seven (7) working days after resolution of the 21 complaint. 22

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SECTION 2. NEW LAW A new section of law to be codified
 in the Oklahoma Statutes as Section 73 of Title 23, unless there is
 created a duplication in numbering, reads as follows:

A. An award of damages to growing crops or plants resulting
from negligent application or unintentional drift off target that is
a violation of the Combined Pesticide Law shall be limited to:

7 1. Crops or plants that are insurable under the Federal Crop8 Insurance Corporation program; or

9 2. Crops or plants that are directly sold by the producer to10 the consumer.

In a civil action arising from damages to growing crops or 11 в. 12 plants pursuant to subsection A of this section, an award of actual 13 damages shall not exceed the amount of compensation a producer has received from proven yield from the affected area. If the producer 14 has no proven yield from the affected area, an award of actual 15 damages shall not exceed an amount equal to the county average yield 16 for the specific crop or plant as calculated by the Federal Crop 17 Insurance Corporation program. 18

19 SECTION 3. This act shall become effective November 1, 2022.
20 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY February 8, 2022 - DO PASS AS AMENDED
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