To require the Secretary of Agriculture to establish an innovative agricultural technology pilot program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28, 2022

Mrs. BLACKBURN (for herself and Ms. LUMMIS) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To require the Secretary of Agriculture to establish an innovative agricultural technology pilot program, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the “Innovative Agricultural Technology Act of 2022”.

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definition of Secretary.
TITLE I—INNOVATIVE AGRICULTURAL TECHNOLOGY PILOT PROGRAM

Sec. 101. Purpose.
Sec. 102. Definitions.
Sec. 103. Establishment.
Sec. 104. Applications.
Sec. 105. Testing of innovative agricultural technologies.
Sec. 106. Administration.
Sec. 107. Reports.

TITLE II—DISTRIBUTED LEDGER TECHNOLOGY APPLICATIONS IN AGRICULTURE

Sec. 201. Distributed ledger technology educational program.
Sec. 202. Study of distributed ledger technology applications in agriculture.

1 SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term “Secretary” means the Secretary of Agriculture.

4 TITLE I—INNOVATIVE AGRICULTURAL TECHNOLOGY PILOT PROGRAM

7 SEC. 101. PURPOSE.

The purpose of this title is to establish a pilot program to enable an eligible entity to obtain limited access to the market to test innovative agricultural technologies without obtaining a license or other authorization that may otherwise be required for those innovative agricultural technologies.

14 SEC. 102. DEFINITIONS.

In this title:

(1) CONSUMER.—The term “consumer” means an entity that purchases from an eligible entity a
product or service relating to an innovative agricultural technology under the pilot program.

(2) **ELIGIBLE ENTITY.**—The term “eligible entity” means—

(A) an individual who is a United States citizen residing in the United States; and

(B) a United States corporation or other organized entity—

(i) headquartered in the United States;

(ii) operating in the United States; and

(iii) with a physical presence, other than that of a registered office or agent or virtual mailbox, in the United States.

(3) **INNOVATIVE AGRICULTURAL TECHNOLOGY.**—The term “innovative agricultural technology” means a technological innovation relating to agriculture in—

(A) Global Positioning System-based or geospatial mapping;

(B) satellite or aerial imagery;

(C) yield monitoring;

(D) soil mapping;
(E) sensors for gathering data on crop, soil, or livestock conditions;
(F) internet of things and telematics technologies;
(G) data management software and advanced analytics;
(H) network connectivity products and solutions;
(I) Global Positioning System guidance or auto-steer systems;
(J) supply chain platform technologies;
(K) distributed ledger technology applications for tracing or sourcing agricultural products;
(L) financial technology products or services specifically for agricultural producer credit and loan opportunities;
(M) variable rate technology for applying inputs, such as section control;
(N) nonfungible digital assets; and
(O) any other technology, as determined by the Secretary.

(4) PILOT PROGRAM.—The term “pilot program” means the Innovative Agricultural Tech-
nology Pilot Program established under section 103(a).

SEC. 103. ESTABLISHMENT.

(a) IN GENERAL.—The Secretary shall establish a pilot program, to be known as the “Innovative Agricultural Technology Pilot Program”.

(b) CONSULTATION.—

(1) IN GENERAL.—In carrying out the pilot program, the Secretary shall consult with the Secretary of Labor, the Secretary of Transportation, the Administrator of the Environmental Protection Agency, the Federal Communications Commission, and applicable State agencies.

(2) FEDERAL COMMUNICATIONS COMMISSION.—The Federal Communications Commission shall advise the Secretary regarding any products or services relating to innovative agricultural technologies that would need approval, including preliminary approval, of the Federal Communications Commission to be tested under the pilot program.

SEC. 104. APPLICATIONS.

(a) IN GENERAL.—An eligible entity shall apply to participate in the pilot program by submitting to the Secretary an application at such time and in such manner as the Secretary may require.
(b) INCLUSIONS.—An application submitted under subsection (a) shall include—

(1) contact information for the eligible entity;

(2) any provisions of law (including regulations) that the eligible entity seeks to make inapplicable with respect to the innovative agricultural technology to be tested because that innovative agricultural technology was not considered when the provision of law was enacted or promulgated;

(3) a description of the innovative agricultural technology to be tested, including—

(A) the means by which the innovative agricultural technology would benefit consumers;

(B) the means by which the innovative agricultural technology would aim to reduce costs to consumers;

(C) the means by which the innovative agricultural technology is different from other technologies in operation; and

(D) if the innovative agricultural technology involves the use of software, hardware, or other technology developed for the purpose of implementing or operating the innovative agricultural technology, a detailed description of the
operation and general content of the software,
hardware, or other technology;

(4) a description of the proposed plan of the eligi-
gible entity for testing the innovative agricultural
technology, including estimated time periods for
market entry and market exit;

(5) the means by which the eligible entity will
wind down the testing and protect consumers if the
testing fails to comply with the terms of the pilot
program;

(6) sufficient information to demonstrate that
the eligible entity has—

(A) an adequate understanding of the in-
novative agricultural technology; and

(B) a sufficient plant to test, monitor, and
assess the innovative agricultural technology
while ensuring consumers are protected from
harm;

(7) a description of the potential risk to con-
sumers during testing of the innovative agricultural
technology and the methods that will be used to pro-
tect consumers and resolve complaints during the
period of testing; and

(8) a description of the availability to the eligi-
ble entity of the necessary personnel and adequate
financial and technical expertise to carry out testing
of the innovative agricultural technology.

(c) ADDITIONAL INFORMATION.—The Secretary may
request the submission of such additional information by
the eligible entity as the Secretary determines to be rea-
sonably necessary to evaluate an application submitted
under subsection (a).

(d) APPLICATION FEE.—The Secretary shall collect
from an eligible entity that submits an application under
subsection (a) a $500 fee for each application submitted.

(e) CONSULTATION.—

(1) PRIOR TO SUBMISSION.—An eligible entity
may contact and consult with staff of the Depart-
ment of Agriculture before submitting an application
under subsection (a).

(2) AGENCIES.—The Secretary may consult
with applicable agencies before approving or denying
an application submitted under subsection (a).

(f) APPROVAL OR DENIAL.—

(1) DEADLINE.—Not later than 90 days after
the date on which the Secretary receives an applica-
tion submitted under subsection (a), the Secretary
shall notify the applicable eligible entity whether the
application is approved or denied.
(2) REQUIREMENTS.—The Secretary shall not approve an application submitted under subsection (a) unless the Secretary determines, in the sole discretion of the Secretary, that the applicable eligible entity has demonstrated that—

(A) the eligible entity—

(i) has an adequate understanding of the applicable innovative agricultural technology;

(ii) is financially responsible; and

(iii) has an adequate plan to test, monitor, and assess the innovative agricultural technology; and

(B) the health, safety, privacy, and security of consumers will be adequately protected in the testing of the applicable innovative agricultural technology.

(3) CONSIDERATION.—In reviewing an application submitted under subsection (a), the Secretary shall consider whether a competitor to the applicable eligible entity is, or has been, a successful participant in the pilot program.
SEC. 105. TESTING OF INNOVATIVE AGRICULTURAL TECHNOLOGIES.

(a) In General.—On approval of an application under section 104—

(1) the applicable eligible entity shall become a participant in the pilot program;

(2) the Secretary shall certify the provisions of law (including regulations) to which the eligible entity and the applicable innovative agricultural technology would ordinarily be subject but to which the eligible entity and the applicable innovative agricultural technology is not subject during the participation of the eligible entity in the pilot program; and

(3) during the participation of the eligible entity in the pilot program, the eligible entity and the applicable innovative agricultural technology shall not be subject to the provisions of law (including regulations) certified by the Secretary under paragraph (2).

(b) Duration.—Except as provided in subsections (g) and (h)(2), the period of participation in the pilot program shall be 4 years beginning on the date on which the applicable application is approved under section 104.

(c) Requirements of Consumers.—

(1) Agreements.—To participate in testing of an innovative agricultural technology under the pilot
program, a consumer shall enter into an agreement with the Secretary.

(2) RESIDENCY.—A consumer participating in testing of an innovative agricultural technology under the pilot program shall be a United States citizen residing in the United States.

(3) LIMITATION.—Not more than 25,000 consumers may enter into an agreement to test each innovative agricultural technology under the pilot program.

(d) DISCLOSURES TO CONSUMERS.—

(1) IN GENERAL.—An eligible entity shall provide to a consumer participating in testing of any product or service relating to an innovative agricultural technology under the pilot program the following information:

(A) The name and contact information of the eligible entity.

(B) A disclosure that—

(i) the Secretary has authorized the product or service to be made available to consumers for a temporary period;

(ii) the product or service may not be required to comply with all statutory and regulatory requirements;
(iii) the Secretary does not endorse, warrant, or recommend to consumers the product or service; and

(iv) the product or service—

(I) is undergoing testing under the pilot program;

(II) may be discontinued at the end of the testing period;

(III) may not function as intended; and

(IV) may entail financial risk.

(C) The expected end date of the period of testing of the product or service.

(D) The contact information, including a telephone number, website, and appropriate email address of the Department of Agriculture, which the consumer may use to file a complaint relating to the product or service.

(E) Such additional information as the Secretary may require.

(2) MANNER AND TIMING OF DISCLOSURE.—The information described in paragraph (1) shall be provided—

(A) in writing;
(B) in such format as the Secretary may require; and

(C) before the consumer purchases, receives, or uses any product or service under the pilot program.

(e) LOANS.—An eligible entity participating in the pilot program may provide a loan to a consumer in an amount that is not more than $75,000.

(f) LIABILITY IN CASE OF BODILY HARM.—If a consumer experiences bodily harm caused by a product or service during testing under the pilot program, notwithstanding subsection (a)(3), the Secretary may impose liability under any provision of law to which the applicable eligible entity and the applicable innovative agricultural technology are made not subject under that subsection.

(g) SUSPENSION OR TERMINATION OF PARTICIPATION.—The Secretary may suspend or terminate the participation of an eligible entity in the pilot program, at any time, if the Secretary determines that—

(1) the eligible entity made a material error, false statement, misrepresentation, or material omission in the application submitted under section 104(a); or

(2) the applicable innovative agricultural technology is endangering consumers; or
(3) the eligible entity has violated the conditions of participation in the pilot program.

(h) Expiration or Extension of Testing.—

(1) In general.—Not later than 1 month before the expiration of the period of participation of an eligible entity in the pilot program described in subsection (b), the eligible entity shall—

(A) notify the Secretary that the eligible entity will exit the market with respect to the applicable innovative agricultural technology at the expiration of the period of participation;

(B) seek an extension in accordance with paragraph (2); or

(C) notify the Secretary that the eligible entity is seeking a license or other required authorization to remain in the market with respect to the applicable innovative agricultural technology.

(2) Extensions.—

(A) In general.—An eligible entity participating in the pilot program may submit to the Secretary a request for not more than 1 extension of participation of not longer than 2 years to conduct additional testing or pursue a license or other required authorization to re-
main in the market with respect to the applicable innovative agricultural technology.

(B) **Inclusions.**—A request submitted under subparagraph (A) shall include a detailed description of the results of testing under the initial testing period, including—

(i) a description of how the applicable innovative agricultural technology—

(I) added value to consumers;

(II) was economically viable for consumers;

(III) brought new and reasonably priced technology to consumers;

(IV) did not pose an unreasonable risk of harm to consumers; and

(V) provided consumers protection;

(ii) a description of statutory and regulatory issues that continue to limit the applicable innovative agricultural technology from being used, issued, sold, solicited, distributed, or advertised in the market;

(iii) a description of how the applicable innovative agricultural technology is
functioning in the market and the manner
in which the applicable innovative agricul-
tural technology is offered or provided;

(iv) a log of consumer complaints re-
lating to testing of the applicable innova-
tive agricultural technology and a descrip-
tion of the process for addressing those
consumer complaints; and

(v) such other information as the Sec-
retary may require.

(C) Application Fee.—The Secretary
shall collect from an eligible entity that submits
a request under subparagraph (A) a $250 fee
for each request submitted.

(D) Approval or Denial.—The Sec-
retary, in the sole discretion of the Secretary,
shall approve or deny a request submitted
under subparagraph (A).

(3) Continuing Obligations.—If testing
under the pilot program includes products or serv-
ices that require an eligible entity to fulfill obliga-
tions to a consumer after the expiration of the pe-
period of testing under the pilot program, such as
servicing of a loan, that expiration shall not relieve
the eligible entity of those obligations.
SEC. 106. ADMINISTRATION.

(a) RECORDKEEPING.—An eligible entity participating in the pilot program shall—

(1) retain records, documents, and data produced in the ordinary course of business regarding an innovative agricultural technology tested under the pilot program; and

(2) make, maintain, and preserve books and records in accordance with regulations promulgated by the Secretary to carry out this paragraph.

(b) CONFIDENTIALITY.—

(1) DEFINITION OF RECORDS.—In this subsection, the term “records” means application materials, documents, and other records submitted to or obtained by the Secretary in administering the pilot program.

(2) PRIVACY.—Records shall not be public records or open to inspection by the public.

(3) PROPRIETARY RECORDS.—Records, other than application materials, shall be considered to be proprietary and contain trade secrets.

(4) LEGAL ACTION.—Notwithstanding paragraphs (2) and (3), the Secretary may use records in furtherance of regulatory or legal action brought as part of the official duties of the Secretary.
(5) LIABILITY.—The Secretary or a person acting under the authority of the Secretary who receives or views records shall not be liable for the information or data received or viewed.

(6) EFFECT.—Nothing in this subsection prevents the disclosure of information that is admissible as evidence in a civil or criminal proceeding brought by a Federal agency to enforce or prosecute a civil or criminal violation of law.

SEC. 107. REPORTS.

(a) REPORTS TO THE SECRETARY.—

(1) IN GENERAL.—Every 180 days, an eligible entity participating in the pilot program shall submit to the Secretary a report in such form as the Secretary may require that contains the following information:

(A) The period of time that the eligible entity has been marketing the applicable innovative agricultural technology to consumers.

(B) The successes, or failures, of the applicable innovative agricultural technology.

(C) The challenges, and potential future challenges, of the applicable innovative agricultural technology.
(D) The number of consumers who have received any product or service relating to the applicable innovative agricultural technology.

(E) The means by which the eligible entity has worked to ensure the health, safety, security, and privacy of consumers have been protected.

(F) Any other information the Secretary may require.

(2) Failure of Compliance.—If an innovative agricultural technology tested under the pilot program fails to comply with any requirements of the pilot program before the expiration of the testing period, the applicable eligible entity shall—

(A) notify the Secretary of that failure; and

(B) submit to the Secretary a report describing actions taken to ensure consumers have not been harmed as a result of that failure.

(b) Reports to Congress.—Not later than 1 year after the date of enactment of this Act, and each year thereafter, the Secretary shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives a report describing—
(1) the pilot program, including recommendations relating to the pilot program; and
(2) any provisions of law (including regulations) that hinder innovation in agriculture.

TITLE II—DISTRIBUTED LEDGER TECHNOLOGY APPLICATIONS IN AGRICULTURE

SEC. 201. DISTRIBUTED LEDGER TECHNOLOGY EDUCATIONAL PROGRAM.

(a) In general.—Not later than January 1, 2024, the Secretary shall establish an online program that teaches agricultural producers—

(1) the benefits of implementing distributed ledger technology in agricultural production, distribution, and sales;

(2) the different distributed ledger technology programs that exist for agricultural producers; and

(3) the requirements to begin using a distributed ledger technology program for agricultural producers.

(b) Consultation.—In developing the program under this section, the Secretary shall consult with distributed ledger technology experts in the agricultural industry.
(c) Outreach.—The Secretary shall publicize, and encourage agricultural producers to participate in, the program under this section.

(d) Termination.—This section shall cease to have effect on July 1, 2030.

SEC. 202. STUDY OF DISTRIBUTED LEDGER TECHNOLOGY APPLICATIONS IN AGRICULTURE.

(a) In General.—The Secretary, in coordination with such other relevant Federal agencies as the Secretary determines to be appropriate, shall conduct a study to identify potential applications for distributed ledger technology in agricultural operations.

(b) Inclusions.—The study conducted under subsection (a) shall include an examination of—

(1) how distributed ledger technology can be used to trace the origin of a product;

(2) the potential use of distributed ledger technology to monitor farm conditions;

(3) the potential use of distributed ledger technology for maintenance records of production and transportation equipment;

(4) implementing the use of distributed ledger technology for data verification and certification;

(5) the potential use of distributed ledger technology for tracking and ordering supplies;
(6) the potential use of distributed ledger technology as a tool for asset exchange, including payments for sales and storage of products and equipment; and

(7) such other matters as the Secretary determines to be appropriate.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary, in coordination with the other relevant Federal agencies described in subsection (a), shall submit a report containing the findings and recommendations of the study conducted under that subsection to—

(1) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

(2) the Committee on Commerce, Science, and Transportation of the Senate;

(3) the Committee on Agriculture of the House of Representatives; and

(4) the Committee on Energy and Commerce of the House of Representatives.