

251.355 Grain dealer license and grain warehouse operator license -- Department's authority to issue and administer licenses -- Administrative regulations -- Fees -- Penalties for violations -- Hearing -- Appeal -- Enforcement. (Effective July 15, 2026)

- (1) No person shall be or act as a grain dealer in the Commonwealth without holding a valid grain dealer license issued by the department.
- (2) No person shall engage in the business of buying grain from producers for resale, milling, or processing in the Commonwealth without holding a valid grain dealer license issued by the department; provided, however, that no license shall be required in order to buy grain from sellers who are not producers of grain.
- (3) No person shall be or act as a grain warehouse operator in the Commonwealth without holding a valid grain warehouse operator license issued by the department.
- (4) No person shall own, control, operate, or manage any public warehouse in which grain is stored for compensation in the Commonwealth without holding a valid grain warehouse operator license issued by the department.
- (5) Any person who possesses unpaid-grain for more than thirty (30) days shall be deemed to be acting as a grain warehouse operator and shall be subject to the licensing and financial requirements for grain warehouse operators under the provisions of this chapter.
- (6) Licenses issued by the department shall be valid for a period of time not to exceed one (1) year and shall expire on June 30 each year.
- (7) A separate license shall be required for each facility in the Commonwealth.
- (8) The board, in conjunction with the department, shall promulgate administrative regulations setting forth a schedule of fees for licensed grain warehouse operators. Any changes to the schedule of fees shall be approved by a majority vote of the board. The schedule of fees shall be reviewed by the board at least one (1) time every four (4) years. The annual increase in board-approved license fees shall be limited to five percent (5%) and shall not exceed twenty percent (20%) over any four (4) year period.
- (9) The board, in conjunction with the department, shall promulgate administrative regulations setting forth a schedule of fees for licensed grain dealers. Any changes to the schedule of fees shall be approved by a majority vote of the board. The schedule of fees shall be reviewed by the board at least one (1) time every four (4) years. The annual increase in board-approved license fees shall be limited to five percent (5%) and shall not exceed twenty percent (20%) over any four (4) year period.
- (10) The department shall have the authority to issue a notice of violation and assess a civil fine pursuant to KRS 251.990, or suspend or revoke a license if the board or department determines any person has violated a provision of this chapter or any administrative regulation promulgated under this chapter.
- (11) Any person receiving a notice of violation may contest the notice by submitting to the department a written request for a hearing in accordance with KRS Chapter 13B within thirty (30) days of receipt. Failure to request a hearing shall result in the recipient's failure to exhaust administrative remedies and render the notice final.

- (12) Any person aggrieved by any final order of the department may appeal to the Franklin Circuit Court or the Circuit Court of the county in which the respondent is located, in accordance with KRS 13B.140.
- (13) The department may enforce any final order by petitioning the Franklin Circuit Court or the Circuit Court of the county in which the respondent is located.

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History: Amended 2026 Ky. Acts ch. 23, sec. 2, effective July 15, 2026. -- Created 2019 Ky. Acts ch. 88, sec. 7, effective August 1, 2019.