

**CHAPTER 239 (HB 696)**

AN ACT relating to marketing of agricultural products.

*Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

Section 1. KRS 260.015 is amended to read as follows:

- (1) The Commissioner shall establish, if an appropriation is made for the purpose, a logo or labeling statement for use in identifying agricultural products that have been grown, processed, or manufactured in this state. The Commissioner may develop labeling statements that apply to specific marketing or promotional needs. One (1) version of the labeling statement may identify food products certified by the department as organically grown in this state. The agriculture logo or labeling statement may be used on processed or manufactured products produced in this state.
- (2) The logo or labeling statement shall not be used without a license from the Commissioner, except that wholesalers and retailers may use the logo or labeling statement for displaying and advertising products that qualify for use of the logo or labeling statement.
- (3) The logo or labeling statement shall not supersede or replace any federal or state label or grade statement that is required by law.
- (4) A person shall not use the agricultural logo or labeling statement without an annual license from the Commissioner. ~~The Commissioner shall issue a license for a fee of five dollars (\$5), and the Commissioner may charge a late fee of ten dollars (\$10) for renewal of a license that has expired thirty (30) days after the date of renewal. The logo fund account is established within the department. All license fees, receipts, and penalties collected under the provisions of this section shall be credited to the fund for use in implementing and enforcing this section and to advertise and promote the agriculture logo.~~
- (5) ~~With the concurrence of a majority of program licensees, a fee equivalent to one-tenth of one percent (.001%) of the wholesale or retail value of all products marketed with the benefit of the logo or labeling statement may be assessed all users of the logo or labeling statement, and the proceeds shall be used by the department exclusively for the purpose of advertising and promoting the logo or labeling statement. The assessed fee shall be payable on a quarterly basis and shall be delinquent if not paid within thirty (30) days following a particular quarter. Chronic delinquency or nonpayment shall be just cause for removal from the program.~~
- (5)~~(6)~~ In order to accomplish the purposes of this section, the Commissioner may participate jointly with private persons in appropriate logo programs and projects and may enter into contracts necessary to carry out those programs and projects.
- (6)~~(7)~~ If the logo program is undertaken, the Department of Agriculture shall provide assistance to those persons or businesses that wish to use the Kentucky logo.
- (7)~~(8)~~ The Commissioner may promulgate administrative regulations as may be necessary to authorize the use and licensing of the agriculture logo or labeling statement.
- (8)~~(9)~~ It shall be the duty of the department, or upon the request of the Commissioner of Agriculture, of the Attorney General, to bring an action for the recovery of the penalties provided in this section, and to bring an action for an injunction against any person,

corporation, enterprise, or business entity violating or threatening to violate any of the provisions of this section or the administrative regulations promulgated pursuant to this section.

~~(9)(10)~~ A person who is required to have a license to use the Kentucky agricultural pride logo or labeling statement and uses the logo or labeling statement without a license after being notified by the Commissioner that a license is required shall be liable to a civil penalty not to exceed the sum of one hundred dollars (\$100) for the violation, and an additional civil penalty not to exceed one hundred dollars (\$100) for each day during which the violation continues. The penalties shall be recoverable in an action brought in the name of the Commonwealth of Kentucky by the department, or upon the department's request, by the Attorney General.

**Approved March 29, 2000**