

## CHAPTER 24

## (HB 344)

AN ACT relating to surplus agricultural commodities.

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

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

*As used in Sections 1 to 7 of this Act:*

- (1) *"Agricultural commodity" means any agricultural product, including but not limited to plant and animal products grown, raised, or produced within this state for use as food, feed, seed, or any aesthetic, industrial, or chemurgic purpose; and*
- (2) *"Food bank" means a surplus food collection and distribution system operated and established to assist in bringing donated food to nonprofit charitable organizations and individuals for redistribution to reduce hunger and supply nutritional needs.*

➔SECTION 2. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

*There is hereby established in the Department of Agriculture a program to award grants to nonprofit organizations for the purpose of collecting and distributing Kentucky grown and raised surplus agricultural commodities to food banks and other charitable organizations that serve needy or low-income individuals.*

➔SECTION 3. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

- (1) *Subject to available funds, a nonprofit organization is eligible to receive a grant under Sections 1 to 7 of this Act if the organization:*
  - (a) *Has at least five (5) years of experience coordinating a statewide network of food banks and charitable organizations that serve counties of this state;*
  - (b) *Operates a program that coordinates the collection and transportation of surplus agricultural commodities to a statewide network of food banks that provide food to needy or low-income individuals; and*
  - (c) *Submits to the department, in a manner and time prescribed by the department, a proposal for the collection and distribution of agricultural commodities to food banks and other charitable organizations for use in providing food for needy or low-income individuals, including:*
    1. *A description of the proposal;*
    2. *A schedule of projected costs for the proposal;*
    3. *Measurable goals for the proposal; and*
    4. *A plan for evaluating the success of the proposal.*
- (2) *A nonprofit organization that receives a grant under Sections 1 to 7 of this Act shall comply with the following requirements:*
  - (a) *Purchases shall be made from Kentucky farmers, growers, and vendors;*
  - (b) *Agricultural commodities collected and distributed shall be culls or those designated as surplus or unmarketable, and not primary agricultural commodities. Surplus or unmarketable agricultural commodities or culls shall be purchased at production cost or below market price from produce auctions, farmers, growers, and vendors; and*
  - (c) *Donations of culls, or surplus or unmarketable agricultural commodities from farmers' markets, cooperatives, farmers, and growers shall be encouraged. Persons making the donations may be reimbursed for picking, packaging, processing, transportation, storage, distribution, or other costs.*

➔SECTION 4. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

*A nonprofit organization that receives a grant under Sections 1 to 7 of this Act shall report the results of the project to the department in a manner prescribed by the department.*

➔SECTION 5. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

- (1) *The Surplus Agricultural Commodities Advisory Committee is hereby created for the purpose of advising the department concerning the implementation and administration of the program established under Sections 1 to 7 of this Act. The committee shall be composed of no fewer than ten (10) but no more than fifteen (15) members appointed by the commissioner. Membership on the committee shall include:*
  - (a) *Food and nutrition advocates;*
  - (b) *Regional food bank representatives;*
  - (c) *Local government representatives;*
  - (d) *Representatives of the department and Governor's Office;*
  - (e) *Agricultural commodity producers;*
  - (f) *Representatives of farm advocacy groups;*
  - (g) *Representatives of Kentucky public or private colleges and universities; and*
  - (h) *At-large members designated by the commissioner.*
- (2) *The advisory committee shall elect a chairperson during the first organizational meeting.*
- (3) *The committee shall:*
  - (a) *Advise the department concerning the implementation and administration of Sections 1 to 7 of this Act; and*
  - (b) *Make recommendations to the department regarding the content of administrative regulations promulgated by the department in accordance with Sections 1 to 7 of this Act.*
- (4) *Appointed committee members may be reimbursed for reasonable and necessary expenses incurred while engaged in carrying out the official duties of the committee.*
- (5) *The committee shall be attached to the Department of Agriculture for administrative purposes.*

➔SECTION 6. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

- (1) *The Surplus Agricultural Commodities Fund is hereby created in the State Treasury as a restricted account to be administered by the department for the purposes provided in this section.*
- (2) *Notwithstanding the provisions of KRS 45.229, any moneys accruing to this fund in any fiscal year, including state appropriations, gifts, grants, federal funds, interest, and any other funds both public and private, shall not lapse but shall be carried forward to the next fiscal year.*
- (3) *Moneys received in the fund shall be used for carrying out the provisions of Sections 1 to 7 of this Act.*

➔SECTION 7. A NEW SECTION OF KRS CHAPTER 247 IS CREATED TO READ AS FOLLOWS:

*The commissioner shall promulgate the administrative regulations necessary to carry out the provisions of Sections 1 to 7 of this Act.*

**Signed by the Governor March 20, 2009.**