AN ACT relating to fertilizer and pesticide use and application.

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

SECTION 1. KRS 217B.040 IS REPEALED AND REENACTED TO READ AS FOLLOWS:

For the purposes of this chapter, unless the context requires otherwise:

1. "Applicant" means a person applying for a license or registration under this chapter;

2. "Branch office" means any location of a dealer other than its designated principal place of business location, but does not include on-premises and off-premises bulk storage or receiving warehouses used solely for the purpose of customer order filling;

3. "Dealer" means any person that engages in the storage of bulk fertilizer or a restricted use pesticide for the purpose of redistribution or direct resale, or engages in the business of applying any pesticide to the lands of another. A "dealer" shall not include a manufacturer of a fertilizer or a restricted use pesticide who distributes his or her product solely to a dealer;

4. "Defoliant" means any substance or mixture of substances intended to cause the leaves or foliage to drop from a plant with or without causing abscission;

5. "Department" means the Kentucky Department of Agriculture;

6. "Desiccant" means any substance or mixture of substances intended to artificially accelerate the drying of plant tissues;

7. "Direct on-the-job supervision" means having a licensed operator or licensed applicator physically on site and directly supervising or training an individual in the application of a pesticide;

8. "Distribute" means to offer for sale, hold for sale, sell, barter, ship, deliver for shipment, or receive, and, having received, deliver or offer to deliver any pesticides in this state excepting internal distribution within a company or
(9) "EPA" means the United States Environmental Protection Agency;

(10) "Equipment" means any type of ground, water, or aerial equipment, device, or contrivance using motorized, mechanical, or pressurized power and used to apply any pesticide on land and anything that may be growing, habitating, or stored on or in the land, but shall not include any pressurized hand-sized household device used to apply any pesticide;

(11) "Fertilizer" means any substance containing one (1) or more recognized plant nutrients, which is used for its plant nutrient content and which is designed for use or claimed to have value in promoting plant growth, except unmanipulated animal and vegetable manures, marl, lime, limestone, wood ashes, and other products exempted by administrative regulation;

(12) "Fungi" means all nonchlorophyll-bearing thallophytes, that is, all nonchlorophyll-bearing plants of a lower order than mosses and liverworts, as for example, rusts, smuts, mildews, molds, yeasts, bacteria, and viruses, except those on or in living humans or other living animals, and except those in or on processed food, beverages, or pharmaceuticals;

(13) "Insect" means any of the numerous small invertebrate animals generally having the body more or less obviously segmented, for the most part belonging to the class insecta, comprising six (6) legged, usually winged forms, as for example, beetles, bugs, bees, wasps, and flies, and includes other allied classes of arthropods whose members are wingless and usually have more than six (6) legs, as for example, spiders, mites, ticks, centipedes, and wood lice, and also nematodes and other worms, and any other invertebrates which are destructive, constitute a liability, and may be classed as pests;

(14) "Label" means the written, printed, or graphic matter on, or attached to, the pesticide or device or to any of its containers or wrappers;
(15) "Land" means all land and water areas, including airspace, and all plants, animals, structures, buildings, devices, and contrivances and machinery appurtenant to or situated on them, fixed or mobile, including any used for transportation;

(16) "Livestock" means cattle, sheep, swine, goats, horses, alpacas, llamas, buffaloes, or any other animals of the bovine, ovine, porcine, caprine, equine, or camelid species;

(17) "Nematode" means invertebrate animals of the phylum nemathelminthes and class nematoda, that is, unsegmented round worms with elongated, fusiform, or sac-like bodies covered with cuticle, and inhabiting soil, water, plants, or plant parts, and may also be called nemas or eelworms;

(18) "Noncommercial applicator" means any licensed individual making applications of pesticides to lands owned, occupied, or managed by his or her employer;

(19) "Noncommercial license" means a license that is issued by the department for noncommercial use, and shall be valid only when an individual is making applications of pesticides to lands owned, occupied, or managed by his or her employer;

(20) "Person" means any individual, partnership, association, or any organized group of persons, whether incorporated or not;

(21) "Pest" means:

(a) Any insect, snail, slug, rodent, nematode, fungus, or weed; or

(b) Any other form of plant or animal life, or virus, bacteria, or other microorganism, except viruses, bacteria, or other microorganisms on or in living humans or other living animals, which is normally considered to be a pest, or which the department declares to be a pest;

(22) "Pesticide" means:

(a) Any substance or mixture of substances intended to prevent, destroy,
control, repel, attract, or mitigate any pest;

(b) Any substance or mixture of substances intended to be used as a plant regulator, defoliant, or desiccant; or

(c) Any substance or mixture of substances intended to be used as a spray adjuvant, once they have been mixed with an EPA-registered product;

(23) "Pesticide applicator" means any individual employed or supervised by a pesticide operator to apply pesticides. The term does not include trainees;

(24) "Pesticide operator" means any individual who owns or manages a pesticide application business that is engaged in the business of applying pesticides upon the lands of another;

(25) "Pesticide sales agent" means an individual who is employed by a dealer and supervises the sale or distribution of restricted use pesticides to the final user;

(26) "Plant regulator" means any substance or mixture of substances intended through physiological action to accelerate or retard the rate of growth or maturation, or to otherwise alter the behavior of plants, but shall not include substances insofar as they are intended to be used as plant nutrients, trace elements, nutritional chemicals, plant inoculants, or soil amendments;

(27) "Restricted use pesticide" means any pesticide classified for restricted use by the administrator of the EPA, or by administrative regulation of the department;

(28) "Snails or slugs" include all harmful mollusks;

(29) "Spray adjuvant" means any wetting agent, spreading agent, sticker, deposit builder, adhesive, emulsifying agent, deflocculating agent, water modifier, or similar agent intended to be used with any other pesticide as an aid to the application or to the effect of it, and which is in a package or container separate from that of the other pesticide with which it is to be used;

(30) "Trainee" means an individual who has been employed by a dealer and is working under the direct on-the-job supervision of a licensed operator or
applicator; 

(31) "Weed" means any plant which grows where not wanted; and 

(32) "Wildlife" means all living things that are neither human, domesticated, nor, as defined in this chapter, pests, including but not limited to mammals, birds, and aquatic life. 

Section 2. KRS 217B.050 is amended to read as follows: 

(1) The department shall administer and enforce the provisions of this chapter and promulgate administrative regulations to carry out the provisions of this chapter and in the administrative regulations may prescribe methods to be used in the storage of fertilizers, and the storage and application of pesticides. Where the department finds that the administrative regulations are necessary to carry out the purpose and intent of this chapter, the administrative regulations may relate to the time, place, manner, and method of storage and application of [the] pesticides and [storage of] fertilizers, may restrict or prohibit use of pesticides in designated areas during specified periods of time, and shall encompass all reasonable factors which the department deems necessary to prevent damage or injury by drift or misapplication to: 

(a) Plants, including forage plants, on adjacent or nearby lands; 

(b) Wildlife in the adjoining or nearby areas; 

(c) Fish and other aquatic life in waters in reasonable proximity to the area to be treated; and 

(d) Pollinating insects, animals, or persons. 

(2) In promulgating the administrative regulations, the department shall give consideration to pertinent research findings and recommendations of other agencies of this state and of the federal government. 

(3) The department may by administrative regulation adopt a list of "restricted use pesticides" for the state or for designated areas within the state if it finds that the characteristics of the pesticides require restricting their use to prevent injury on
lands other than the land to which they are applied, or to persons, animals, crops, or
pests or vegetation other than the pests or vegetation which they are intended to
destroy. For the purpose of uniformity of requirements between the states and the
federal government, the department may adopt the list of "restricted use pesticides"
as established by the Environmental Protection Agency or other federal or state
agencies.

(4) The department may establish additional classifications of applicator or operator
licenses as required for conformance with the Federal Environmental Pesticide
Control Act of 1972. The classifications may include private farmer applicators,
commercial establishment applicators, and government employee applicators not
specifically mentioned in this chapter. The administrative regulations may specify
licensing conditions, procedures, and fees [not to exceed those fees specified for
other licensees under this chapter].

(5) In addition to the fees authorized in subsection (4) of this section, the department
may, by administrative regulation, establish fees for carrying out the provisions
required or authorized by this chapter [but shall not establish fees exceeding those
specified under this chapter].

Section 3. KRS 217B.060 is amended to read as follows:

(1) The department may classify licenses to be issued under this chapter. The
classifications may include but not be limited to ornamental or agricultural pesticide
applicators, or right-of-way pesticide applicators. Separate classifications may be
specified as to ground, aerial, or manual methods used by any licensee to apply
pesticides. Each classification shall be subject to separate testing procedures and
requirements.

(2) Application for a license shall be made in writing to the department on a designated
form obtained from the department. Each application for a license shall contain
information regarding the applicant's qualifications and proposed operations, and
license classification or classifications the applicant is applying for, and shall include the following:

(a) The full name of the person applying for the license;

(b) If the applicant is a receiver, trustee, firm, partnership, association, corporation, or other organized group of persons whether or not incorporated, the full name of the receiver or trustee, the full name of each member of the firm or partnership, or the names of the officers of the association, corporation, or group;

(c) The principal business address of the applicant in the state and elsewhere;

(d) The name and address of a person, who may be the Secretary of State, whose domicile is in the state, and who is authorized to receive and accept services of summons and legal notice of all kinds for the applicant; and

(e) The model, make, horsepower, and size of any equipment used by the applicant to apply pesticides; and

(f) Any other necessary information prescribed by the department.

(3) The department shall require an applicant for a license to show upon examination that the applicant possesses adequate knowledge concerning the proper use and application of pesticides in the classifications he or she has applied for. The applicant shall also demonstrate a knowledge of the proper use of and calibration of the various equipment that he or she may have applied for a license to operate, including any pressurized, hand-sized devices. The examination shall require a working knowledge of:

(a) The proper use of the equipment;

(b) The hazards that may be involved in applying pesticides, including:

1. The effect of drift of the pesticides on adjacent and nearby lands and other nontarget organisms;

2. The proper meteorological conditions for the application of pesticides
and the precautions to be taken;

3. The effect of the pesticides on plants or animals in the area, including
   the possibility of damage to plants or animals or the possibility of illegal
   pesticide residues resulting on them;

4. The effect of the application of pesticides to wildlife in the area,
   including aquatic life;

5. The identity and classification of pesticides used and the effects of their
   application in particular circumstances; and

6. The likelihood of contamination of water or injury to persons, plants,
   livestock, pollinating insects, and vegetation;

(c) Calculating the concentration of pesticides to be used in particular
    circumstances;

(d) Identification of pests to be controlled by common name only and the
    damages caused by the pests;

(e) Protective clothing and respiratory equipment required during the handling
    and application of pesticides;

(f) General precautions to be followed in the disposal of containers as well as the
    cleaning and decontamination of the equipment that the applicant proposes to
    use; and

(g) Applicable state and federal pesticide laws and regulations.

(4) If the department finds the applicant qualified to apply pesticides in the
    classifications he or she has applied for, if the applicant files the bond or insurance
    required under KRS 217B.130, and if the applicant applying for a license to engage
    in aerial application of pesticides has met all of the requirements of the Federal
    Aviation Agency and the Transportation Cabinet to operate the equipment described
    in the application, the department shall issue a pesticide applicator license limited to
    the classifications for which he or she is qualified, which shall expire at the end of
the calendar year of issue unless it has been revoked or suspended prior to that by
the department for cause, or the financial security required under KRS 217B.130 is
not dated to expire at an earlier date, in which case the license shall be dated to
expire upon the expiration date of the financial security.

Section 4. KRS 217B.070 is amended to read as follows:

(1) No person shall engage in the business of applying pesticides to the lands of another
within this state at any time without a pesticide operator's license issued by the
department. The department shall require an annual fee of one hundred dollars
($100) for each pesticide operator's license issued.

(2) No license shall be issued unless the applicant holds a valid certification within this
category.

(3) No license shall be issued unless the applicant is registered as a dealer or is
employed by a person who is registered as a dealer.

Section 5. KRS 217B.080 is amended to read as follows:

(1) Except as provided in KRS 217B.090, it shall be unlawful for any person to act as
an employee of a pesticide operator or dealer and apply pesticides [manually, or as
the applicator directly in charge of any equipment which is licensed or should be
licensed under the provisions of this chapter for the application of any pesticide,
without having obtained an applicator's license from the department. An
applicator's license shall be in addition to any other license or permit required by
law for the operation or use of any equipment]. Any person applying for an
applicator's license shall file an application on a form prescribed by the department
on or before January 1 of each year. Application for a license to apply pesticides
shall be accompanied by a license fee of twenty-five dollars ($25). The provisions of this section shall not apply to any individual who has
passed the examination provided for in KRS 217B.060(3), and is a licensed
pesticide operator. If the department finds the applicant qualified to apply pesticides
in the classifications he has applied for after examinations as provided for in KRS 217B.060(3), and if the applicant applying for a license to engage in aerial applications of pesticides has met all of the requirements of the Federal Aviation Agency and the Transportation Cabinet to operate the equipment described in the application, the department shall issue a pesticide applicator license limited to the classifications for which he is qualified which shall expire at the end of the calendar year of issue unless it has been revoked or suspended prior to that by the department for cause as provided for in KRS 217B.120.

(2) No license shall be issued unless the applicant holds a valid certification within this category.

(3) No license shall be issued unless the applicant is employed or supervised by a person who holds a valid operator's license.

Section 6. KRS 217B.090 is amended to read as follows:

(1) It shall be unlawful for any person to act as a noncommercial applicator without having obtained a noncommercial applicator license from the department. Any person applying for a noncommercial applicator's license shall file an application on a form prescribed by the department on or before January 1 of each year. The provisions of this section shall not apply to any individual who is a licensed pesticide operator or applicator. If the department finds the applicant qualified to apply pesticides, the department shall issue a noncommercial[limited] license for[without] a fee of ten dollars ($10) to a noncommercial applicator, which shall be valid only when the individual is applying pesticides on land owned, occupied, or managed by his or her employer. The noncommercial applicator license shall expire at the end of the calendar year of issue unless it has been revoked or suspended prior to that by the department for cause as provided for in KRS 217B.120.

(2) Employers of noncommercial applicators shall be subject to legal recourse by any
person damaged by the application of any pesticide, and the action may be brought in the county where the damage or some part of the damage occurred.

(3) No license shall be issued unless the applicant holds a valid certification within this category.

(4) A noncommercial [limited] license cannot be upgraded without retesting.

(5) The department shall issue noncommercial applicator licenses to qualifying prison inmates and other incarcerated persons who are or will be engaged in the application of pesticides under the direction of the Department of Corrections. Fees for these persons shall be waived by the department.

Section 7. KRS 217B.105 is amended to read as follows:

(1) No person shall act in the capacity of a dealer, or shall engage or offer to engage in the business of, advertise as, or assume to act as a dealer without having registered as a dealer with the department.

(2) Application for a dealer registration shall be in the form and shall contain the information prescribed by the department. Each application shall be accompanied by a fee of seventy-five dollars ($75) [fifty dollars ($50)]. All registrations issued under this section shall expire on December 31 of the year for which they are issued. The registration for a dealer may be renewed annually upon application to the department, accompanied by a fee of seventy-five dollars ($75) [fifty dollars ($50)] for each registration, on or before the first day of January of the calendar year for which the registration is issued.

(3) No person shall be registered as a dealer without proof of financial responsibility as required by KRS 217B.130.

(4) A dealer shall register each branch office location.

(5) Application for a branch office registration shall be in the form and shall contain the information prescribed by the department. Each application shall be accompanied by a fee of fifty dollars ($50) [twenty-five dollars ($25)]. All registrations issued
under this section shall expire on December 31. The registration for a branch office may be renewed annually upon application to the department, accompanied by a fee of **fifty dollars ($50)** [twenty-five dollars ($25)] for each registration, on or before the first of January of the calendar year for which the registration is issued. No branch office registration may be issued unless the applicant is registered as a dealer.

(6) The department shall issue to each applicant who satisfies the requirements of this section a registration which entitles the applicant to conduct the business described in the application for the calendar year for which the registration is issued, unless the registration is sooner revoked or suspended.

(7) The department shall promulgate administrative regulations requiring dealers to maintain records with respect to their operations as it determines are necessary for the effective enforcement of this chapter. The records shall include, but not be limited to, brands and amounts of restricted use pesticides sold, and the buyer's name, address, use of the pesticide, and certification number. Records required under this section shall extend to financial data, sales data, shipment data, and personnel data. The records are to be retained for a period of two (2) years from the time of sale. For the purposes of enforcing the provisions of this chapter, any dealer shall, upon request of the department, furnish or permit the department at all reasonable times to have access to, and to copy, records as required by this section.

Section 8. KRS 217B.120 is amended to read as follows:

The department may assess civil penalties as provided by KRS 217B.193, or may suspend, revoke, delay issuing, or modify the provision of any license or registration issued under this chapter, if it finds that the applicant or holder has committed any of the following acts, each of which is declared to be a violation of this chapter:

(1) **Made false or fraudulent claims through any media, misrepresenting the effect of materials or methods to be utilized;**
(2) Made a pesticide application not in accordance with the label registered by the department under KRS 217.541 to 217.640;

(2) Applied known ineffective or improper materials;

(3) Operated equipment not functioning as intended or designed by the manufacturer;

(4) Operated equipment in a manner not intended or designed by the manufacturer;

(5) Refused or, after notice, neglected to comply with the provisions of this chapter, the administrative regulations promulgated under this chapter, or of any lawful order of the department;

(6) Refused or neglected to keep and maintain the records required by this chapter, or to make reports when and as required;

(7) Made false records, invoices, or reports;

(8) Made false representations in Engaged in the business of the application of a pesticide without having a licensed applicator or operator in direct "on-the-job" supervision;

(10) Operated unregistered equipment;

(11) Used fraud or misrepresentation in making an application for a license or registration or renewal of a license or registration;

(9) Refused or neglected to comply with any limitations or restrictions on or in a duly issued license or registration;

(13) Aided or abetted a licensed or an unlicensed person to evade the provisions of this chapter, combined or conspired with a licensed or an unlicensed person to evade the provisions of this chapter, or allowed one's license to be used by an unlicensed person;

(14) Made false or misleading statements during or after an inspection concerning any infestation or infection of pests found on land;
Impersonated any state, county, or city inspector or official;

Made a sale to, or distributed a restricted use pesticide to, an unlicensed applicator;

Failed to obtain any license or registration required by this chapter;

Failed to obtain or maintain financial responsibility required by this chapter;

Failed to comply with the provisions of KRS 217B.190; or

Failed to provide direct on-the-job supervision of a trainee by a licensed operator or applicator in the application of a pesticide;

Failed to follow notification and information requirements in accordance with KRS 217B.300, including:

(a) Failure to provide customer written information prior to application;

(b) Failure to place lawn marker;

(c) Failure to meet minimum requirements for lawn marker;

(d) Failure to furnish customer proper information at application; or

(e) Failure to furnish prior notification of application when requested; or

Failed to follow notification and information requirements in accordance with KRS 217B.320, including:

(a) Failure to place golf course marker immediately after application;

(b) Failure to meet minimum requirements for golf course marker; or

(c) Failure to furnish prior notification of application when requested.

SECTION 9. KRS 217B.140 IS REPEALED AND REENACTED TO READ AS FOLLOWS:

(1) Investigations into claims of pesticide misuse conducted by the department shall occur only when the applicator of the pesticide is required by this chapter and related administrative regulations to obtain a license to use pesticides.

(2) Any person claiming pesticide misuse by a pesticide applicator shall file with the department a written statement of alleged misuse. The statement shall be
submitted to the department:

(a) Within sixty (60) days after the date the alleged pesticide misuse occurred;

or

(b) Prior to the time that twenty-five percent (25%) of a crop affected by pesticide misuse is harvested.

(3) A statement of alleged pesticide misuse shall contain:

(a) The name of the person allegedly responsible for the pesticide application;

(b) The name of the person who alleges misuse of pesticide;

(c) The name of the owner or lessee of the land where the effects of the alleged pesticide application misuse are evident; and

(d) The date on which the alleged pesticide misuse occurred.

(4) The filing of a report or the failure to file a report need not be alleged in any complaint for damages resulting from pesticide misuse which might be filed in a court of law, and the failure to file the report shall not be considered any bar to the maintenance of any criminal or civil action. Failure to file a report shall not be a violation of this chapter. If the person failing to file the report is the only person injured from the misuse of a pesticide, the department may, when in the public interest, refuse to hold a hearing for the denial, suspension, or revocation of a license or registration issued under this chapter until the report is filed.

(5) When pesticide misuse is alleged, the claimant shall permit the person allegedly responsible for the application of the pesticide, registration holder, and his or her representatives, such as a bondsman or insurer, to observe within reasonable hours, the lands upon which alleged effects of pesticide misuse is evident in order that the effects may be examined. Failure of the claimant to permit the observation and examination of the location of the alleged effects shall automatically bar the claim against the person allegedly responsible for the pesticide application misuse.
Section 10. KRS 217B.180 is amended to read as follows:

(1) The provisions of KRS 217B.020 to 217B.180 relating to licenses or registration and requirements for their issuance shall not apply to any farmer owner of ground equipment applying nonrestricted use pesticides for himself or his farmer neighbors if he applies the pesticides for his farmer neighbors without compensation other than trading of personal services.

(2) The licensing or registration provisions of KRS 217B.020 to 217B.180 and KRS 217B.500 to 217B.585 shall not apply to any person:

(a) Using handpowered equipment, devices, or contrivances to apply nonrestricted use pesticides to lawns, or to ornamental shrubs and trees not in excess of twelve (12) feet high, as an incidental part of his activity of taking care of his household lawn and yard or those of his neighbors, on the condition that the person shall not publicly hold himself out as being in the business of applying pesticides, and shall not accept compensation other than the trading of personal services for the activity; or

(b) Using nonrestricted use pesticides to prevent, control, repel, or eliminate wood destroying organisms or general pests in, around, or outside his or her household for the purpose of mitigating threats to the structural integrity, the human occupancy, or the contents of such household, on the condition that the person shall not publicly represent himself or herself as being in the business of applying pesticides, and shall not accept compensation other than the trading of personal services for the activity.

(3) KRS 217B.020 to 217B.180 shall not apply to operators presently licensed and regulated under the provisions of KRS 249.250 to 249.340 on June 17, 1978, except that if required by EPA regulations the persons may be issued, without additional fees or examination, an applicator's license to enable them to purchase and use restricted use pesticides in accordance with the requirements of the Federal
Environmental Pesticide Control Act of 1972.

(4) The registration provisions of KRS 217B.105 shall not apply to any noncommercial applicator.

(5) The licensing provisions of KRS 217B.080 shall not apply to any trainee.

Section 11. KRS 217B.185 is amended to read as follows:

(1) The department shall establish a licensure program for pesticide sales agents. The department shall require an applicant for licensure to show upon examination that the applicant possesses adequate knowledge concerning the proper use and application of pesticides.

(2) Application for a pesticide sales agent license shall be in the form and shall contain information prescribed by the department. Each application shall be accompanied by a fee of twenty-five dollars ($25). All licenses issued under this section shall expire on December 31 of the year issued. The license for a pesticide sales agent may be renewed annually upon application to the department, accompanied by a fee of twenty-five dollars ($25) for each license, on or before the first day of January of the calendar year for which the license is issued.

(3) The department shall issue to each applicant who meets the requirements of this section a license that entitles the applicant to hold himself or herself out as a pesticide sales agent.

(4) No person shall hold himself or herself out as a pesticide sales agent unless that person is licensed as provided for in this section.

(5) No person shall make recommendations for the use or application of pesticides unless that person is licensed as provided for in this section.

(6) No person shall supervise the sale or distribution of restricted use pesticides to the final user unless that person is licensed as provided for in this section.
{(7) No license shall be issued unless the applicant holds a valid certification within this category.}

Section 12. KRS 217B.187 is amended to read as follows:

1. The department shall establish and administer a program to register trainees.

2. A dealer shall not employ a trainee to apply pesticides manually or as the applicator directly in charge of any equipment that is licensed or should be licensed under the provisions of this chapter for the application of any pesticide without registering the trainee with the department. It shall be unlawful for any person to act as a trainee without being registered.

3. Application for a trainee registration shall be in the form and shall contain the information prescribed by the department. Each application shall be accompanied by a fee of twenty-five dollars ($25).

4. Trainee registration shall be valid for ninety (90) days and shall not be reissued or renewed.

Section 13. KRS 217B.193 is amended to read as follows:

1. If any of the requirements of this chapter or administrative regulations promulgated under this chapter have not been complied with, the department shall cause a notice of violation to be issued. The department may issue an order for immediate compliance and assess the civil penalty provided for in this section and in KRS 217B.990, or the department may set forth in his notice a reasonable time period, but not more than ninety (90) days, for the abatement of the violation. If any licensee or registration holder has not abated the violation within the period of time prescribed in the notice of violation, the department shall issue an order for immediate compliance and assess the civil penalty provided for in this section and in KRS 217B.990. The notice of noncompliance shall be mailed to the licensee or registration holder by certified mail, return receipt requested, addressed to the permanent address as
shown on department records. The notice of noncompliance shall specify in what respect the licensee or registration holder has failed to comply with this chapter or administrative regulations promulgated under this chapter. If the licensee or registration holder has not complied with the requirements set forth in the notice of noncompliance within the time limit allowed, the license or registration may be revoked as provided in this chapter.

(2) The department shall develop a method for calculating the civil penalty for a violation, or failure to abate a violation, within the prescribed time period as authorized by this section, and he shall promulgate a schedule of the civil penalties in an administrative regulation.

Section 14. KRS 217B.203 is amended to read as follows:

(1) All hearings required by KRS 217B.010 to 217B.990 shall be conducted in accordance with KRS Chapter 13B.

(2) Appeals may be taken from all final orders of the department to the Franklin Circuit Court in accordance with KRS Chapter 13B.

Section 15. KRS 217B.270 is amended to read as follows:

(1) The Commonwealth of Kentucky hereby determines that the citizens of the state benefit from a system of safe, effective, and scientifically sound fertilizer and pesticide regulation. The Commonwealth further finds that a system of fertilizer and pesticide regulation which is consistent, coordinated, and comports with both federal and state technical expertise is essential to the public health, safety, and welfare, and that local regulation of fertilizer and pesticides does not materially assist in achieving these benefits.

(2) No city, town, county, or other political subdivision of the Commonwealth shall adopt or continue in effect any ordinance, resolution, rule, or regulation regarding fertilizer regulated pursuant to KRS 250.371 and pesticide sale or use, including without limitation: registration, notification of use,
advertising and marketing distribution, training, licensing, and certification, storage, transportation, disposal, disclosure of confidential information, or product composition.

(3) Authority for the regulation of pesticides sold and used in the Commonwealth of Kentucky is hereby established in the department.

(4) Nothing in this section shall be construed to:

(a) Abrogate any authority afforded by the state statutes to any program cabinet established under KRS Chapter 12 or any state or federal mandated hazardous materials regulations or fire safety codes and comprehensive hazardous materials management program;

(b) Abrogate the planning and zoning authority granted local government pursuant to KRS Chapter 100; or

(c) Waive any reporting requirement established by state or federal law or regulation.

SECTION 16. KRS 217B.500 IS REPEALED AND REENACTED TO READ AS FOLLOWS:

As used in KRS 217B.500 to 217B.585 unless the context requires otherwise:

(1) "Applicant" means any person applying for a license;

(2) "Applicator" means a licensed person who makes pesticide applications;

(3) "Board" means the Structural Pest Management Advisory Board;

(4) "Carpenter ants" means those ants that damage wooden structures and are classified within the genus Camponotus;

(5) "Carpenter bees" means those bees that damage wooden structures and are classified in the genus Xylocopa;

(6) "Commercial pesticide application" means a pesticide application made by a licensed person or trainee employed by a structural pest management company on the property of another for a fee:
(7) "Department" means the Kentucky Department of Agriculture;

(8) "General pests" means any arthropods, mollusks, annelid worms, rodents, or other pestiferous vertebrate animals, vermin, or fungi, excluding those defined in subsections (4), (5), (13), (16), and (20) of this section;

(9) "KPMA" means the Kentucky Pest Management Association, Inc;

(10) "License" means an instrument issued by the department that certifies a person is competent to make pesticide applications in a structural pest management category;

(11) "Noncommercial pesticide application" means pesticide applications made by an applicator, in the course of employment, on property owned, occupied, or managed by the applicator or his or her employer;

(12) "Office" means any location where the application records or pesticide inventory of a structural pest management company are stored;

(13) "Old house borer" means the cerambycid beetle Hylotrupes bajalus (L.);

(14) "On-site supervision" means having a licensed person physically on the property where a commercial pesticide application is being made and available to supervise a trainee in making such application;

(15) "Operator" means a licensed person who manages a structural pest management company and makes pesticide applications or supervises applicators or trainees making pesticide applications;

(16) "Powder post beetle" means the beetles that damage wooden structures and are classified within the families Lyctidae, Bostrichidae, or Anobiidae;

(17) "Structural fumigation" means the use of poisonous gases for the control of general pests and wood destroying organisms in enclosed structures;

(18) "Structural pest management" means the use of pesticides to prevent, control, repel, or eliminate wood destroying organisms or general pests in, around, or outside structures for the purpose of mitigating threats to structural integrity, the
human occupancy, or the contents of such structures;

(19) "Structural pest management company" means any company that provides
commercial structural pest management or commercial structural fumigation
services for a fee;

(20) "Termite" means the eastern subterranean termite, Reticulotermes flavipes
(Kollar), the southeastern subterranean termite, R. virginicus Banks, or the light
southeastern subterranean termite, R. hageni Banks;

(21) "Trainee" means an unlicensed person employed by a structural pest
management company to make pesticide applications; and

(22) "Wood destroying organisms" means those organisms that cause damage to the
wood used in the construction of structures including the insects defined under
subsections (4), (5), (13), (16), and (20) of this section.

Section 17. KRS 217B.505 is amended to read as follows:

(1) There shall be established a six (6) member Structural Pest Management
Advisory Board which shall consist of the following members:

(a) President of the KPMA or the president's designated representative from the association's membership;

(b) One (1) member of the KPMA appointed by the Governor from a list of persons active in the structural pest management industry submitted by the KPMA, who shall be residents of the Commonwealth. This member shall serve a two (2) year term;

(c) The chairperson of the University of Kentucky Department of Entomology or the chairperson's designated representative;

(d) One (1) other member of the University of Kentucky Department of Entomology appointed by the chairperson of the Department of
Two (2) members of the department staff appointed by the Commissioner of Agriculture.

One (1) consumer member appointed by the Commissioner of Agriculture. This member shall serve a two (2) year term.

If a vacancy occurs on the board, it shall be filled in the manner designated in subsections (1) to (5) of this section.

At the first meeting of the Structural Pest Management Advisory Board, a chairperson, a vice chairperson, and a secretary shall be elected for one (1) year. They shall serve at the pleasure of the board. The chairperson or the vice chairperson shall preside at all meetings and vote as any other member. The secretary of the board shall maintain accurate minutes of each meeting of the board.

Four (4) members of the board shall constitute a quorum and any action or order of the board shall require the presence of a quorum and the approval of a simple majority of the members present.

The board shall meet no less than two (2) times per year upon the call of the chairperson on the first Thursday of alternate months beginning with January at Frankfort or such other place in Kentucky as the chairman shall direct. If the first Thursday falls on a holiday, the meeting shall take place the following Thursday. The secretary of the board shall notify members of upcoming meetings ten (10) days prior to the meeting. However, three (3) members of the board may call a special meeting of the board on ten (10) days' notice to the other members.

Members of the board shall serve without compensation; however, members who are not employees of the Commonwealth shall be entitled to reimbursement by the department for actual expenses incurred in carrying out the duties of the board.

Section 18. KRS 217B.510 is amended to read as follows:

The Structural Pest Management Advisory Board shall have the following...
powers and duties:

1. (1) To review commercial structural pest management and commercial structural fumigation enforcement proceedings and to make written recommendations for further action to the department.

2. (2) To hold hearings on the denial of an application for a license pursuant to KRS 217B.540.

3. (3) To review commercial structural pest control and commercial structural fumigation applicator license applications to ensure that the applicants meet state pest control licensing requirements and to make recommendations to the department.

4. (4) Review the structural pest management licensing examinations.

5. (5) To assist the department in administering the licensing examinations for commercial structural pest control applicators and commercial structural fumigation applicators and to make recommendations to the department.

6. (6) Serve as a resource group to keep the department informed of current technical advancements in the structural pest management industry; and

7. (7) Review and make recommendations to the department concerning statutes and administrative regulations, including any proposed revisions, affecting the structural pest management industry.

8. (8) Serve as a resource group to keep the department informed of current technical advancements in the structural pest management industry; and
applicators and to make recommendations to the department.}

» SECTION 19. KRS 217B.515 IS REPEALED AND REENACTED TO READ

AS FOLLOWS:

(1) **No person shall engage in structural pest management or structural fumigation** without first obtaining a license from the department certifying competence to make commercial or noncommercial pesticide applications.

(2) **A separate examination and license is required to operate in each of the following categories:**

(a) Commercial structural pest management;

(b) Commercial structural fumigation;

(c) Noncommercial structural pest management; and

(d) **Any additional category the department shall designate on recommendation of the board.**

(3) **Any person holding only a termite or a general pest control license or a fumigation license on or after June 17, 1978, may continue to operate in that category. That person may take the commercial structural pest management operator's license examination without jeopardizing his or her current license. Should the license of the license holder lapse or be revoked for any reason, the person, in order to be licensed again, shall be required to fulfill the requirements of KRS 217B.515 to 217B.545.**

(4) **Licenses issued under this section shall expire annually.**

(5) **The department may promulgate administrative regulations establishing other types of licenses certifying persons to engage in structural pest management and structural fumigation and providing for examinations to obtain those licenses. The department shall assess reasonable fees for licenses and the administration of examinations.**

» Section 20. KRS 217B.520 is amended to read as follows:
Applicants for an operator's license shall be required to:

1. Be a legal resident of the United States;

2. Be at least eighteen (18) years of age; and

3. Have at least two (2) years of verified experience in structural pest management.

Experience shall be verified by the license holder of the company from which the applicant has obtained his experience. A person with a bachelor's degree, a master's degree or a doctoral degree in entomology from an accredited college or university shall qualify with no experience. Educational background shall be verified with official transcripts from the institution or institutions granting the degree.

Applicants for a manager's license shall be required to have one (1) year's experience as a service technician or as a salesperson for a licensed pest control company.

No person convicted of fraud or misrepresentation may apply for an applicator's or manager's license.

Section 21. KRS 217B.525 is amended to read as follows:

(1) Application for an operator's license shall be submitted on a form furnished by the department, and shall be filed no later than thirty (30) days in advance of the next examination date.

(2) The department shall notify the applicant within ten (10) days of the examination date whether or not the applicant has passed the examination.

Section 22. KRS 217B.530 is amended to read as follows:

(1) Operator licensing examinations for commercial structural pest management and commercial structural fumigation shall be given at least two (2) times per year the second Tuesday in May and the second Tuesday in November unless such date shall be a holiday. In such case the examination shall be given on the third Tuesday of that month. Manager licensing examinations shall be
administered by the department as needed].

(2) An applicant shall be allowed to take two (2) consecutive licensing examinations but if the applicant has not passed the licensing examination after two (2) attempts he must then wait one (1) year and must complete and pass a training course approved by the department before reapplying to take the examination one (1) more time. If the applicant does not pass the examination the third or subsequent time, he shall have to wait two (2) years and complete and pass an additional training course approved by the department before reapplying to take the examination.

(3) All license testing fees shall be established in administrative regulations promulgated by the department [fifty dollars ($50) for each examination each time the examination is taken].

(3) [(4)] Written examinations shall be given to all qualified applicants. No oral examinations shall be given.

(4) [(5)] The commercial structural pest management operator's control examination shall consist of no less than two hundred sixty (260) written questions and identification of no less than forty (40) wood destroying organisms and general pests [identification specimens]. The commercial structural fumigation operator's examination shall consist of no less than eighty (80) written questions and identification of no less than twenty (20) wood destroying organisms and general pests [identification specimens]. The manager's licensing examination shall consist of no less than ninety (90) written questions and no less than ten (10) identification specimens.

(5) [(6)] The licensing examination shall be a timed examination. Five (5) hours shall be allowed for the commercial structural pest control examination and two (2) hours for the commercial structural fumigation examination. [Timing for the manager's licensing examinations shall be set by regulation.]

(6) [(7)] The applicant must achieve a grade of at least 70% correct on the written
questions and at least 70% correct on the identification to pass the licensing examination. The applicant must take and pass the entire examination to become licensed.

(7)(8) The commercial structural pest management operator's examination and all other structural pest management license examinations shall serve as the examinations necessary to fulfill federal commercial pesticide applicator certification requirements, including industrial, institutional, structural and health related pest control, and the commercial structural fumigation operator's examination and all other fumigation license examinations shall serve as the examinations necessary to fulfill federal commercial pesticide applicator certification requirements for nonsoil fumigation.

Section 23. KRS 217B.535 is amended to read as follows:

(1) There shall be at least one operator license holder per structural pest management company with one or more reserve applicator license holders allowed for each company. The department shall require an annual fee of one hundred dollars ($100) for each operator's license issued.

(2) A license issued by the department shall not be transferable or assignable. Structural pest management companies shall annually register and pay a fee of fifty dollars ($50) for each office. In the event of the death or incapacitation of a licensed operator, his heirs, representatives, other persons or legal entities, which may have an interest in the structural pest control business in which the deceased was the license holder, shall be allowed a maximum of twelve (12) months from such death to obtain a qualified licensed applicator to operate or manage said business under the provisions of KRS 217B.515 to 217B.585. A full-time certified applicator shall be employed by such business for the application and supervision of restricted use pesticides.
(3) If a pest control firm is sold, the purchaser must comply with all state laws and regulations. If the purchaser fails to comply he has ninety (90) days to dissolve the business. The seller must notify the buyer that the department regulates the pest control industry in Kentucky. The seller must notify the department that the business has been sold within ten (10) days after the sale. If the license holder for a pest control firm leaves or is terminated for reasons other than death or sale of the firm, the firm must notify the department of this change within ten (10) days and must acquire a license holder at the next testing period or must be granted an emergency license by the department for a period not to exceed the following scheduled examination. If the pest control firm fails to meet these requirements, they must dissolve the business within ninety (90) days. A full-time certified applicator shall be employed by such business for the application and supervision of restricted use pesticides.

(4) It shall be illegal to solicit business or advertise without a valid commercial structural pest control applicator’s license or commercial structural fumigation applicator’s license.

(3)(5) Each applicator shall register annually and shall pay an annual fee of one hundred dollars ($100) for each place of business maintained in Kentucky. Every nonresident operator, applicator, and structural pest management company owner shall designate a resident agent upon whom service of notice of process may be made to enforce the provisions of KRS 217B.515 to 217B.585.

Section 24. KRS 217B.540 is amended to read as follows:

The department shall, after denying an application for a license, if petitioned by the applicant within ten (10) days of notification, schedule a hearing before the Structural Pest Management Advisory Board. The hearing shall be conducted in accordance with KRS Chapter 13B.

Section 25. KRS 217B.545 is amended to read as follows:
(1) The department may issue a notice of its intent to suspend, revoke, or modify the provision of any [applicator's or manager's] license issued under KRS 217B.515 to 217B.520 if it finds that the licensee has committed any of the acts set forth in KRS 217B.550.

(2) The license holder shall have ten (10) days upon the receipt of a notice of intent to suspend, revoke, or modify a [the notification of a proposed suspension, revocation, or modification of] license to request a hearing. The hearing shall be conducted in accordance with KRS Chapter 13B.

(3) If a hearing is not requested as provided for in subsection (2) of this section, the department may suspend, revoke, or modify the license once the ten (10) day hearing request filing period has passed.

(4) Any person [licensee] whose license is revoked under the provisions of this section shall not be eligible to apply for a new license until time has elapsed from the date of the final order revoking the license as established by the department, not to exceed two (2) years, or if an appeal is taken from the final order or revocation, not to exceed two (2) years from the date of the final order or final judgment sustaining the revocation.

Section 26. KRS 217B.550 is amended to read as follows:

The following acts are declared to be a violation of KRS 217B.515 to 217B.585:

(1) Using any material or pesticide that is not labeled for the purpose of structural pest management; [Making any material representation for the purpose of defrauding the public, or using any method or material that is not reasonably suited for the purpose for which it was employed, by any licensed applicator, manager or his solicitor or agent.]

(2) Failure of a licensed operator or applicator manager to comply with any of the provisions of this chapter or any reasonable rule or regulation promulgated by the department; [ ]
(3) Failure of any person to pay a fine or comply with an order issued by the department; any final judgment rendered against any licensed operator or manager, his employee, solicitor or representative by reason of liabilities resulting from activities under KRS 217B.515 to 217B.585.

(4) Failure to renew any required registration or pay any licensing fees; as required by KRS 217B.535.

(5) Failure to obtain required continuing education units through training courses approved by the department; on recommendation of the Pest Control Advisory Board as specified by the Kentucky state plan.

(6) The making of false or fraudulent claims through any media, misrepresenting the effect of materials or methods to be utilized.

(7) The making of a pesticide application not in accordance with the label registered by the department under KRS 217.542 to 217.640.

(8) Storing or discarding a pesticide or pesticide container in a manner prohibited under KRS 217B.555.

(9) Operating equipment not functioning as intended or designed by the manufacturer; knowingly operating faulty or unsafe equipment.

(10) Operating equipment in a manner not intended or designed by the manufacturer; knowingly operating in a faulty, careless or negligent manner.

(11) Failure to keep and maintain the records required by the department, or to make reports when and as required.

(12) Making false or fraudulent records, invoices, or reports.

(13) Engaging in the business of the application of a pesticide by a trainee without having a licensed person providing on-site supervision.

(14) Making false representations in an application for a license or renewal of a license.
(14) Failure to comply with any limitations or restrictions placed on a license issued by the department; on or in a duly issued license, permit or certification.

(15) Aiding or abetting a licensed or an unlicensed person to evade the provisions of KRS 217B.515 to 217B.585, combining or conspiring with such a licensed or an unlicensed person to evade the provisions of KRS 217B.515 to 217B.585, or allowing one's license to be used by an unlicensed person.

(16) Failure to obtain any license or make any registration required by this chapter; and

(17) Failure to obtain or maintain liability insurance as required by this chapter.

Section 27. KRS 217B.555 is amended to read as follows:

(1) No person shall knowingly discard or store any pesticide or pesticide containers in such a manner as to cause injury to humans, vegetation, crops, livestock, wildlife, pollinating insects or to pollute any waterway in a way harmful to any wildlife therein.

(2) No person shall purchase, use, or supervise the use of, a restricted use pesticide unless that person be licensed in a category which permits that purchase, use, or supervision of use.

Section 28. KRS 217B.560 is amended to read as follows:

Structural pest management companies shall register trainees with the department for a fee of twenty-five dollars ($25). The department may promulgate administrative regulations to establish additional requirements for trainees. A pest control company shall be required and responsible to use only trained personnel such that a new employee shall work under the full-time supervision of a certified applicator for at least thirty (30) days and sales and service personnel shall receive a training course approved by the
department on recommendation of the Pest Control Advisory Board].

Section 29. KRS 217B.565 is amended to read as follows:

Identification of structural pest management company vehicles shall be subject to administrative regulations promulgated by the department. Each business establishment or business entity shall at all times have its vehicles, which are actively and regularly engaged in service work marked for easy identification with at least the letters "L.P.C.O." two (2) inches high, and the company name thereon, followed by the license number of the business establishment or business entity. Identification of vehicles may be permanent or removable; however, signs shall accompany the vehicle at all times for purpose of identification. Each licensed business establishment or business entity shall furnish each employee performing work or soliciting business an identification card to be secured from the department and said identification card shall be carried on his or her person at all times for the purpose of identification of the employee to the department or to the person or persons for whom such work is being performed. It is the responsibility of every business establishment or business entity issuing identification cards to collect any and all cards, or produce proof that a reasonable effort was made to collect same, from employees whose employment has terminated with that company. Identification cards collected in this manner shall be mailed to the department.

Section 30. KRS 217B.570 is amended to read as follows:

(1) Each structural pest management company and employer of a noncommercial applicator shall be responsible for the actions of every person who acts as its employee or agent in performing structural pest management services. The burden of responsibility shall rest upon the applicator for selection and use of proper chemicals, and also for the correct formulation and dosages used unless otherwise specified in the rules and regulations.

(2) However, the department or its agents shall have authority at reasonable times during regular business hours to examine and test any and all chemicals.
being used or bought, held or stored for the purpose of being used for prevention or control of wood destroying organisms or general pests by any person having a license issued, whether then in use or not.

(3) The department [or its agent] shall have the authority to inspect equipment and all storage and disposal areas.

(4) The department [or its agent] shall have the authority at reasonable times during regular business hours to inspect and observe the manner in which a particular pesticide is applied to ensure that it is being done according to the registered label.

Section 31. KRS 217B.580 is amended to read as follows:

All fees collected by the department [from structural pest control operators] for licensing and examinations shall be deposited in the State Treasury to the credit of a revolving fund for the use of the department in enforcing the provisions of KRS 217B.515 to 217B.585 and for the expense of carrying out the duties and functions of the Pest Management Advisory Board.

Section 32. KRS 217B.585 is amended to read as follows:

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 for in KRS 217B.990, and to bring an action for an injunction against any person violating or threatening to violate any provision of this chapter or KRS 217B.515 to 217B.575 or violating or threatening to violate any administrative regulation, order, or determination of the department promulgated pursuant thereto. In any such action any finding of the department shall be prima facie evidence of the fact or facts found therein.

Section 33. KRS 217B.990 is amended to read as follows:

(1) Any person who violates any of the provisions of this chapter or who fails to perform any duties imposed by those sections, or who violates any determination or order of the department promulgated pursuant thereto shall be liable to a civil
penalty of not to exceed the sum of one thousand dollars ($1,000) for that violation, and an additional civil penalty of not to exceed one thousand dollars ($1,000) for each day during which the violation continues, and in addition, may be enjoined from continuing the violations as hereinafter provided in this section. 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.

(2) Any person who fails to abate a violation within the time period prescribed by administrative regulation for the abatement shall be assessed a civil penalty of not less than one hundred dollars ($100). Each day of continuing violation may be deemed a separate violation for the purpose of penalty assessment. The Commissioner shall develop a method for calculating monetary penalties and shall promulgate a schedule of the penalties in an administrative regulation. The penalty shall be recoverable in an action brought in the name of the Commonwealth. All sums of recovery shall be placed in the State Treasury. A license holder shall have thirty (30) days from notification of the penalty assessment to request a hearing.

(3) 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 hereinabove provided for, and to bring an action for an injunction against any person violating or threatening to violate any provision of this chapter or违aiting or threatening to violate any order or determination of the department promulgated pursuant thereto. In any such action any finding of the department shall be prima facie evidence of the fact or facts found therein.

(4) Any person who shall willfully violate any of the provisions of this chapter or any determination or order of the department promulgated pursuant to those sections which have become final shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred dollars ($100) nor
more than one thousand dollars ($1,000) or by imprisonment for a term of not more than one (1) year, or by both fine and imprisonment for each separate violation. Each day upon which such violation occurs shall constitute a separate violation.

{(5) Any person who violates any of the provisions of KRS 217B.515 to 217B.585 or who fails to perform any duties imposed by those sections, or who violates any determination or order of the department promulgated pursuant thereto shall be liable to a civil penalty of not to exceed the sum of one thousand dollars ($1,000) for said violation, and an additional civil penalty of not to exceed one thousand dollars ($1,000) for each day during which such violation continues, and in addition, may be enjoined from continuing such violations as hereinafter provided for in KRS 217B.585. Such 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.

(6) Any person who shall willfully violate any of the provisions of KRS 217B.515 to 217B.585 or any determination or order of the department promulgated pursuant to those sections which have become final shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred dollars ($100) nor more than one thousand dollars ($1,000) or by imprisonment for a term of not more than one (1) year or by both fine and imprisonment for each separate violation. Each day upon which the violation occurs shall constitute a separate violation.}

⇒SECTION 34. A NEW SECTION OF KRS 217B.500 TO 217B.585 IS CREATED TO READ AS FOLLOWS:

(1) The department shall not issue or renew a structural pest management company registration until the applicant has furnished to the department satisfactory evidence of financial responsibility consisting of a liability insurance policy or certification of that policy.
(2) The amount of the liability insurance as required in this section shall be not less than one million dollars ($1,000,000). The liability insurance shall be maintained at not less than that amount at all times during the registration period. The department shall be notified no less than ten (10) days prior to any reduction at the request of the applicant or cancellation of the liability insurance by the insurer. The total and aggregate of the insurer for all claims shall be limited to the face of the liability insurance policy. The department may accept a liability insurance policy which has a deductible clause against the total amount of liability insurance required if the clause does not specify an amount exceeding five thousand dollars ($5,000). If the applicant has not satisfied the requirements of the deductible amount in any prior legal claim, the deductible clause shall not be accepted by the department unless the applicant furnishes the department with a security bond or other liability insurance which shall satisfy the amount of the deductible as to all claims that may arise from his or her application of pesticides.

(3) Should the surety furnished become unsatisfactory, the applicant shall, upon notice, execute a new insurance policy and if the applicant fails to do so, the department shall cancel the company's registration and it shall be unlawful for any person to act as an employee or agent of the company to engage in structural pest management until the insurance is brought into compliance with the requirements of subsection (2) of this section and the registration is reinstated by the department.

(4) Nothing in this chapter shall be construed to relieve any person from liability for any damage to a person or their property caused by the use of pesticides even though the use conforms with this chapter and the administrative regulations promulgated thereunder.

SECTION 35. A NEW SECTION OF KRS 217B.500 TO 217B.585 IS CREATED TO READ AS FOLLOWS:
The Commonwealth of Kentucky hereby determines that the citizens of the state benefit from a system of safe, effective, and scientifically sound pesticide regulation. The Commonwealth further finds that a system of pesticide regulation which is consistent, coordinated, and comports with both federal and state technical expertise is essential to public health, safety, and welfare, and that local regulation of pesticides does not materially assist in achieving these benefits.

The authority for regulation of pesticides sold and used in the Commonwealth of Kentucky is hereby established in the Department of Agriculture.

Nothing in this section shall be construed to:

(a) Abrogate any authority afforded by the state statutes to any program cabinet established and defined in KRS Chapter 12 or any state or federal mandated hazardous materials regulations or fire safety codes and comprehensive hazardous materials management program;

(b) Abrogate the planning and zoning authority granted local government pursuant to KRS Chapter 100; or

(c) Waive any reporting requirement established by state or federal law or regulation.

SECTION 36. A NEW SECTION OF KRS CHAPTER 217B.500 TO 217B.585 IS CREATED TO READ AS FOLLOWS:

(1) No person shall act in the capacity of a structural pest management company, or shall engage or offer to engage in the business of, advertise as, or assume to act as a structural pest management company, without having registered as such with the department.

(2) Application for a structural pest management company registration shall be in the form and shall contain the information prescribed by the department. Each application shall be accompanied by a fee of seventy-five dollars ($75). All registrations issued under this section shall expire on December 31 of the year for
which they are issued. The registration for a structural pest management company may be renewed annually upon application to the department, accompanied by a fee of seventy-five dollars ($75) for each registration, on or before the first day of January of the calendar year for which the registration is issued.

(3) No person shall be registered as a structural pest management company without proof of financial responsibility as required by Section 34 of this Act.

SECTION 37. A NEW SECTION OF KRS 217B.500 TO 217B.585 IS CREATED TO READ AS FOLLOWS:

(1) Except as provided in this chapter, it shall be unlawful for any person to act as an employee of a structural pest management operator and apply pesticides without having obtained an applicator's license from the department. An applicator's license shall be in addition to any other license or permit required by law. Any person applying for an applicator's license shall file an application on a form prescribed by the department on or before January 1 of each year. Application for a license to apply pesticides shall be accompanied by a license fee of twenty-five dollars ($25). The provisions of this section shall not apply to any individual who has passed the examination provided for in KRS 217B.530, and is a licensed operator.

(2) No license shall be issued unless the applicant holds a valid certification within this category.

(3) No license shall be issued unless the applicant is employed by a structural pest management company or is supervised by a person who holds a valid operator's license.

Section 38. The following KRS sections are repealed:

217B.100 Consultant's license -- Fee -- Qualifications -- Waiver.

217B.103 Suspension, revocation, or modification of consultant's license -- Grounds --
Application for new license.

217B.170 Annual fee for registering equipment -- Exemptions -- Inspections -- License plate displayed on equipment.

217B.260 Pesticide Advisory Board.

217B.300 Definitions -- Notification and information requirements -- Records.

217B.320 Exemption from provisions of KRS 217B.300 -- Definitions -- Notification and information requirements.

217B.575 Notification of change of address.