

251.640 Assessment of producers of fund-covered grains -- Deduction of assessment -- Assessments dependent upon balance in fund.

- (1) It is declared to be in the public interest and highly advantageous to the agricultural economy of the Commonwealth that producers of fund-covered grains delivered to licensed grain dealers and licensed grain warehouse operators shall be assessed at a rate of .0025 times the gross value of the fund-covered grain. The board or the department shall provide for the collection of the assessment, under the provisions of this section, for the purpose of financing the Kentucky grain insurance fund, which is hereby created. Assessments shall be levied only on fund-covered grains.
- (2) Except as provided in subsection (3) of this section, beginning on or after August 1, 2019, all persons in this state who are licensed grain dealers or licensed grain warehouse operators shall deduct the levied assessment from each producer's payment for fund-covered grain. The total assessment collected by each licensee shall, on or before the fifteenth day of the month following the end of the month in which the grains are sold to the purchaser, be remitted to the grain insurance fund. The books and records shall clearly indicate the producer assessment and shall be open for inspection by the board or the department. The board or the department may take steps as are reasonably necessary to verify the accuracy of books and records of purchasers of grain.
- (3)
 - (a) Beginning on August 1, 2019, no assessment shall be collected if the board has certified that the fund is greater than three million dollars (\$3,000,000). If the board receives notification the fund is less than three million dollars (\$3,000,000), then the board shall within sixty (60) days reinstate the assessment fee of .0025 times the gross value of the fund-covered grain purchased. Assessments shall continue until the board certifies the fund is in excess of ten million dollars (\$10,000,000).
 - (b) No later than April 30 of each year, the board shall meet and certify the amount in the fund. If the board certifies the fund's current balance is more than ten million dollars (\$10,000,000), then no assessment shall be levied. If, at any time after the board has certified that the balance in the fund is more than ten million dollars (\$10,000,000), the board receives notification that the fund balance is less than six million dollars (\$6,000,000), then the board shall reinstate the assessment within sixty (60) days. Upon notification from the board, the department shall notify each licensee and shall begin collecting the assessment within sixty (60) days.
- (4) The assessments by the board in accordance with this section are in addition to any other fees or assessments required by law.

Effective: August 1, 2019

History: Amended 2019 Ky. Acts ch. 88, sec. 21, effective August 1, 2019. -- Amended 2009 Ky. Acts ch. 61, sec. 3, effective June 25, 2009. -- Amended 2006 Ky. Acts ch. 214, sec. 2, effective July 12, 2006. -- Amended 2005 Ky. Acts ch. 125, sec. 6, effective June 20, 2005. -- Amended 1990 Ky. Acts ch. 396, sec. 5, effective July 13, 1990. -- Amended 1986 Ky. Acts ch. 81, sec. 3, effective July 15, 1986. -- Created 1984 Ky. Acts ch. 389, sec. 5, effective July 13, 1984.