

1 AN ACT relating to consumer protections.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO
4 READ AS FOLLOWS:

5 *As used in Sections 1 to 4 of this Act:*

6 *(1) "Cabinet" means the Cabinet for Health and Family Services;*

7 *(2) "Food" has the same meaning as in KRS 217.015 and also includes a dietary*
8 *ingredient and a dietary supplement;*

9 *(3) "Kratom extract" means a food product containing any part of the leaf of the*
10 *plant *Mitragyna speciosa* that has been extracted and concentrated in order to*
11 *provide more standardized dosing;*

12 *(4) "Kratom product" means a food product, powder, capsule, pill, or any other*
13 *product intended for oral consumption containing any part of the leaf of the*
14 *plant *Mitragyna speciosa* or any extract thereof;*

15 *(5) "Kratom processor" means a person or entity that prepares, manufactures,*
16 *distributes, or maintains kratom products or advertises, represents, or claims to*
17 *sell, prepare, or maintain kratom products; and*

18 *(6) "Kratom retailer" means a person or entity that sells or dispenses or advertises,*
19 *represents, or claims to sell or dispense kratom products.*

20 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO
21 READ AS FOLLOWS:

22 *A kratom processor or retailer shall not prepare, manufacture, distribute, sell, make*
23 *available for sale, or dispense:*

24 *(1) A kratom product that:*

25 *(a) Is adulterated with a dangerous non-kratom substance. A kratom product is*
26 *adulterated with a dangerous non-kratom substance if the kratom product*
27 *is mixed or packaged with a non-kratom substance and that substance*

1 affects the quality or strength of the kratom product to such a degree as to
2 render the kratom product injurious to a consumer;

3 (b) Is contaminated with a dangerous non-kratom substance. A kratom product
4 is contaminated with a dangerous non-kratom substance if the kratom
5 product contains a poisonous or otherwise deleterious non-kratom
6 ingredient, including but not limited to a Schedule I, II, III, IV, or V
7 controlled substance as defined in KRS Chapter 218A;

8 (c) Contains a level of 7-hydroxymitragynine in the alkaloid fraction that is
9 greater than two percent (2%) of the overall alkaloid composition of the
10 product;

11 (d) Contains any synthetic alkaloids including synthetic mitragynine, synthetic
12 7-hydroxymitragynine, or any other synthetically derived compounds of the
13 kratom plant; or

14 (e) Does not provide adequate labeling directions necessary for safe and
15 effective use by consumers, including a recommended serving size; or

16 (2) A kratom extract that:

17 (a) Contains levels of residual solvents higher than those permitted under the
18 United States Pharmacopeia Chapter 467; or

19 (b) Does not provide adequate labeling directions necessary for safe and
20 effective use by consumers, including a recommended serving size.

21 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO
22 READ AS FOLLOWS:

23 No financial institution, service, or entity, including but not limited to a bank, credit
24 union, credit card network, or credit card processing company, shall refuse or
25 terminate service to a dealer because the dealer engages in the preparation,
26 distribution, or sale of kratom products. If a financial institution, service, or entity
27 refuses or terminates service to a dealer because the dealer engages in the preparation,

1 distribution, or sale of kratom products, the financial institution, service, or entity shall
2 reestablish or accept service with the dealer upon request of the dealer, regardless of
3 whether the dealer appears on any report generated by the financial institution data
4 match program or system.

5 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 217 IS CREATED TO
6 READ AS FOLLOWS:

7 (1) A kratom processor or retailer who violates Section 2 of this Act shall be subject
8 to an administrative fine of not more than one thousand dollars (\$1,000) per
9 violation.

10 (2) A kratom processor or retailer who is subjected to an administrative fine
11 pursuant to this section may, within thirty (30) days after receiving notice of an
12 administrative fine from the cabinet, file a written request for an administrative
13 hearing to appeal the fine. The hearing shall be conducted in compliance with
14 the requirements of KRS Chapter 13B.

15 (3) A kratom retailer does not violate Section 2 of this Act if it can be shown through
16 a preponderance of evidence that the retailer relied in good faith upon the
17 representations of a manufacturer, processor, packer, or distributor of food
18 presented as a kratom product.