

42.510 Fixing rates of interest -- Relationship to Linked Deposit Investment Program.

- (1) The State Investment Commission shall, in a timely manner, consistent with the goal of maximizing the return on invested funds, fix the rate of interest to be paid by qualified public depositories upon investment deposits.
- (2) Time deposits in Kentucky depositories made pursuant to this chapter shall bear interest at a rate which would be equal to one hundred percent (100%) of the average full fair market rate of interest for the deposits in Kentucky and contiguous states determined from quotes from not less than seven (7) banks, at least four (4) of which shall be Kentucky banks. Those rates shall be recorded by the State Investment Commission.
- (3) The State Investment Commission may invest through qualified depositories in a Linked Deposit Investment Program to provide low cost funds for reduced rate loans to eligible small businesses and agribusinesses. The linked deposit loan rate shall be fixed by the State Investment Commission in the manner provided under KRS 41.610.

Effective: July 15, 1996

History: Amended 1996 Ky. Acts ch. 208, sec. 1, effective July 15, 1996. -- Amended 1994 Ky. Acts ch. 276, sec. 7, effective July 15, 1994. -- Created 1982 Ky. Acts ch. 382, sec. 7, effective July 15, 1982.