

180.190 Department may contract to keep bridges insured.

The department may contract in advance of the issuance of the bonds that while bonds of the project are outstanding, it will keep the bridges in the project adequately insured for the protection of the state and the bondholders, in companies satisfactory to the bondholders, under an "all-risk coverage" policy either for the full insurable value or for the face value of the bonds outstanding for such project, whichever is the lesser amount. The department may also contract to carry, during the same period, insurance policies in companies satisfactory to the bondholders, covering the use and occupancy of the bridges in such project, in an amount sufficient to provide an income for one (1) year equal to at least one (1) year's interest upon the bonds then outstanding. The premium upon the policies shall be paid from appropriations out of the state road fund unless other provision for payment, but not out of bridge tolls and revenues, is made by law. The department may carry insurance of a lesser extent or amount if adequate in the judgment of the department and the original purchasers of the bonds.

Effective: October 1, 1942

History: Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4356s-27.