

251.650 Use of funds -- Grain indemnity trust fund -- Investment of funds -- Authorization to use earnings on Kentucky grain insurance fund for management, investment, and legal fees and board members' per diem and expenses.

- (1) All assessments by the department in accordance with KRS 251.640 shall be held by the corporation in trust in the Kentucky grain insurance fund for carrying out the purposes of KRS 251.410, 251.430, 251.440, 251.451, 251.490, and 251.600 to 251.740. These funds shall be invested and reinvested in United States Treasury obligations at the discretion of the corporation, and the interest from these investments shall be deposited to the credit of the fund and shall be available for the same purposes as all other money deposited in the fund. The money in the fund shall not be available for any purpose other than the payment of claims in accordance with KRS 251.410, 251.430, 251.440, 251.451, 251.490, and 251.600 to 251.740, and shall not be transferred to any fund other than the grain indemnity trust fund, which is hereby created. This limiting and nontransferability provision shall not be severable from the whole of KRS 251.410, 251.430, 251.440, 251.451, 251.490, and 251.600 to 251.740; and if the provision is held invalid, repealed, or substantially amended, KRS 251.410, 251.430, 251.440, 251.451, 251.490, and 251.600 to 251.740 shall immediately become invalid, and to this end, the provision is declared to be nonseverable.
- (2) Notwithstanding the provisions of subsection (1) of this section, the board may authorize the investment of funds for the Kentucky grain insurance fund through the Kentucky Commission for Investments in any guaranteed security or other guaranteed investment recommended by the commission if the board determines the recommendation would maximize the interest or income to the fund.
- (3) Notwithstanding the provisions of subsection (1) of this section, the board is authorized to pay from the interest or income produced by the investing of the Kentucky grain insurance fund:
 - (a) The ordinary management and investment fees assessed in accordance with statute or administrative regulation: and
 - (b) A per diem of fifty dollars (\$50) to board members for each board meeting they attend, and reimbursement for other reasonable and necessary expenses incurred while engaged in carrying out the official duties of the board.
- (4) Notwithstanding the provisions of subsection (1) of this section, the board may authorize the payment of legal fees, in actions brought against the Kentucky grain insurance fund, exclusively from the interest or income earned from the investment of the Kentucky grain insurance fund. All legal expenses incurred must be approved for payment by the board.

Effective: June 25, 2009

History: Amended 2009 Ky. Acts ch. 68, sec. 2, effective June 25, 2009. -- Amended 1994 Ky. Acts ch. 147, sec. 1, effective July 15, 1994. -- Amended 1990 Ky. Acts ch. 396, sec. 6, effective July 13, 1990. -- Created 1984 Ky. Acts ch. 389, sec. 6, effective July 13, 1984.