

154.20-180 Business networks revolving loan fund -- Eligibility for assistance -- Administration of fund.

- (1) Any business firm that is a member of an approved business network comprising individual firms, companies, agricultural business entities, or industrial entities that have been identified as key industries and that have been targeted by the state's economic development strategic plan as eligible for priority consideration for state assistance shall also be eligible for state assistance under the provisions of this section.
- (2) A business networks revolving loan fund shall be established and shall be administered by the Kentucky Economic Development Finance Authority. The fund shall be maintained and credited with repayments and the fund balance shall be available in perpetuity to provide loans at or below market rates at terms not to exceed thirty (30) years to members of approved business networks to support the development and production of new and expanded products and production facilities, including, but not limited to, financing development and construction of value-added food and fiber production facilities, accelerating modernization of production systems, and making of new technology investments. The maximum amount of loans made available to any member of an approved business network shall not exceed ten percent (10%) of the total amount of available funds.
- (3) The Kentucky Economic Development Finance Authority shall cause to be established and implemented fiscal controls and accounting procedures sufficient to assure proper accounting during appropriate accounting periods for payments and disbursements received and made by the fund and for fund balances at the beginning and end of each accounting period.
- (4) In addition to powers and authorities otherwise granted the Kentucky Economic Development Finance Authority, the authority may:
 - (a) Make and condition loans from the fund as required by state or federal law;
 - (b) Enter into any necessary or required agreement and give or make any necessary or required assurance or certification with any person or entity to receive payments or to make or to provide loans;
 - (c) Guarantee or purchase insurance for obligations of the fund where the action would improve credit market access or reduce interest rates;
 - (d) Receive money from any public or private source to implement the purposes of this section;
 - (e) Approve or reject applications made to it for loans from the fund, and establish standards applicable thereto;
 - (f) Provide for the issuance of revenue bonds and bond anticipation notes as prescribed by KRS 154.10-035 for the purposes as set forth in this section;
 - (g) Promulgate administrative regulations implementing the purposes of this section in accordance with KRS Chapter 13A; and
 - (h) Do all things necessary and convenient to achieve the objectives and purposes of this section which are not otherwise prohibited by state law.

- (5) In carrying out the objectives and purposes of this section, the authority shall consult with the Kentucky Department of Agriculture regarding development of standards and conditions applicable to agribusiness and agriculture related loan applications.
- (6) Nothing contained herein shall preclude the authority from contracting with or acquiring services from any state agency or institution regarding implementation of this section.

Effective: July 15, 1994

History: Created 1994 Ky. Acts ch. 390, sec. 14, effective July 15, 1994.