

154.20-520 Trust funds -- Payments.

- (1) There are hereby established in the Treasury of the Commonwealth trust funds for each area of responsibility for which it was established, and to which shall be credited all funds appropriated by the General Assembly to the authority for the purposes of this chapter, together with interest earned by these funds and all funds obtained by the authority from other sources which, by contract or otherwise, are payable into such funds. The authority may request, and such request shall be honored, that the trust funds be invested and reinvested for the benefit of the authority until such time as the funds are needed to satisfy loan commitments. Income from the investments shall be credited to the authority's funds. If at any time the authority shall determine the moneys in any fund exceed the amount needed by the authority to carry out the purposes of this chapter as it relates to a particular area of responsibility, the authority shall take such action as shall be required to transfer the excess amounts from the fund for one (1) area of responsibility to the fund for another area of responsibility as economic development needs dictate and are determined by the authority or shall release such excess funds and transfer such excess funds to the general fund of the State Treasury.
- (2) The mortgage insurance fund shall be used solely and only as reserve for insurance commitments and to pay the costs of procuring insurance of private or governmental loans to accomplish the purposes of the authority as stated in KRS 154.20-030. Such costs shall be paid from said fund upon approval by the authority solely under terms of its contract with the insurance corporation, and may include the costs of obtaining interim and permanent guarantees which are authorized by this chapter, whether or not the loan application finally results in a loan or guarantee by the government.
- (3) All loans and all costs of administration of this chapter shall be paid out of the authority's funds. Payments shall be made in the same manner as other state expenditures, except that they shall be subject to the approval of the Finance and Administration Cabinet only as to availability of funds.

Effective: July 15, 1980

History: Amended 1980 Ky. Acts ch. 340, sec. 16, effective July 15, 1980. -- Created 1978 Ky. Acts ch. 96, sec. 14, effective July 1, 1978.

Formerly codified as KRS 154.550