

224.1-020 Agricultural warehousing sites cleanup fund.

- (1) "The Agricultural Warehousing Sites Cleanup Fund" is hereby established as a separate account in the State Treasury. This shall be a special fund administered by the Cabinet for Economic Development. Within sixty (60) days of June 21, 2001, the Cabinet for Economic Development shall issue guidelines and application forms to administer this fund.
- (2) The purpose of the agricultural warehousing sites cleanup fund is to provide financial assistance to persons who did not cause or contribute to the contamination on property used for agricultural warehousing activity on or before June 21, 2001, and who propose to undertake a voluntary cleanup of the property. The financial assistance shall be in an amount of up to seventy-five percent (75%) of the costs incurred for completing an environmental study and implementing a cleanup plan by an eligible applicant. Financial assistance may be in the form of grants as provided in this section or low-interest loans, to be lent at a rate not to exceed two percent (2%).
- (3) Grants may be made to political subdivisions or their instrumentalities or local economic development agencies for the purposes of this section, if the grantee owns the site on which the cleanup is being conducted and the grantee is overseeing the cleanup. The total amount of grants awarded under this section in any one (1) fiscal year shall not exceed twenty percent (20%) of the total amount of the agricultural warehousing sites cleanup fund.
- (4) Loans meeting the requirements of subsection (2) of this section may be made to the following categories of applicants:
 - (a) Local economic development agencies;
 - (b) Political subdivisions or their instrumentalities; and
 - (c) Other persons determined to be eligible by the Cabinet for Economic Development.
- (5) The Cabinet for Economic Development shall take all of the following factors into consideration when determining which applicants shall receive financial assistance under this section:
 - (a) The benefit of the remedy to human health, safety, and the environment;
 - (b) The permanence of the remedy;
 - (c) The cost-effectiveness of the remedy in comparison with other alternatives;
 - (d) The financial condition of the applicant;
 - (e) The financial or economic distress of the area in which the cleanup is being conducted; and
 - (f) The potential for economic development.
- (6) The Cabinet for Economic Development shall consult with the cabinet when determining priorities for funding under this section.
- (7) The Cabinet for Economic Development may set terms and conditions applicable to loans and grants as it deems appropriate. The Cabinet for Economic Development may consider such factors as it deems relevant, including current market interest

rates and the necessity to maintain the moneys in this fund in a financially sound manner. Loans may be made based upon the ability to repay from future revenue to be derived from the cleanup, by a mortgage or other collateral, or on any other fiscal matters which the Cabinet for Economic Development deems appropriate.

- (8) In addition to any funds appropriated by the General Assembly, federal funds, and private contributions, moneys may be transferred from the hazardous waste management fund to the agricultural warehousing sites cleanup fund for the purpose of implementing the program established in this section. Moneys received by the Cabinet for Economic Development as repayment of outstanding loans shall be deposited in the agricultural warehousing cleanup fund. Any interest earned by moneys in this fund shall remain in this fund.
- (9) The Cabinet for Economic Development shall, on October 1 of each year, report to the Legislative Research Commission on the grants, loans, expenditures, and commitments made from this fund. The annual report shall include an evaluation of the effectiveness of this fund in recycling agricultural warehousing sites. The evaluation shall include any recommendations for additional changes if necessary to improve the effectiveness of this fund in recycling these sites.

Effective: June 21, 2001

History: Created 2001 Ky. Acts ch. 128, sec. 16, effective June 21, 2001.

Formerly codified as KRS 224.01-020.