

**224A.322 Kentucky water and wastewater assistance for troubled or economically restrained systems fund.**

- (1) The Kentucky water and wastewater assistance for troubled or economically restrained systems fund is hereby established in the State Treasury and shall be administered by the authority.
- (2) The fund shall be a dedicated revolving fund, and all moneys in the fund shall be allocated by the General Assembly for and dedicated to providing funding for both capital and non-capital expenses for eligible projects by public water or wastewater systems, as evaluated and scored pursuant to KRS 224A.320.
- (3) Funding may be awarded pursuant to this section in the form of grants, loans, no-interest loans, or forgivable loans as proposed by the board and determined by the General Assembly. Interest rates for loans awarded pursuant to this section shall be set using the same criteria to set the interest rates for loans from the federally-assisted water supply revolving fund administered by the authority under KRS 224A.1115 and the federally-assisted wastewater revolving fund administered by the authority under KRS 224A.111, except that interest rates for loans awarded pursuant to this section shall be set at least one-half of one percent (0.5%) lower than they would have been if awarded from the federally-assisted water supply and wastewater revolving funds, provided that a loan interest rate for a loan awarded pursuant to this section shall not be less than zero percent (0%).
- (4)
  - (a) The fund may receive donations, gifts, state appropriations, repayments from the funding provided under subsection (2) of this section, and revenues or proceeds from the sale of bonds or from other financial instruments.
  - (b) The fund may receive proceeds from the authority's infrastructure revolving fund under KRS 224A.304, as available, if:
    1. Not contrary to the requirements which establish and govern the management and use of those funds; and
    2. The proceeds do not contain any federal moneys.
  - (c) Any interest earnings of the fund shall become a part of the fund and shall not lapse.
- (5) Notwithstanding KRS 45.229, moneys in the fund shall not lapse but shall be carried forward to the next fiscal year and used solely for the stated purposes in this section and KRS 224A.320.
- (6) The authority may use up to one-half of one percent (0.5%) of moneys deposited into the fund established by this section for administrative costs resulting from the discharge of its duties under KRS 224A.320 to 224A.325.

**Effective:** April 12, 2024

**History:** Created 2024 Ky. Acts ch. 185, sec. 2, effective April 12, 2024.