

224A.306 Conditions for receiving assistance from fund for water-related infrastructure projects.

- (1) The authority shall require the following as conditions for receiving assistance from any fund administered by the authority for infrastructure projects related to water and wastewater service:
 - (a) Establishment and use of a financial accounting system that accounts for the operations of water treatment and distribution separately from all other operations of the applicant;
 - (b) Establishment of service rates based upon the cost of providing the service; and
 - (c) An agreement that the authority may require an audit to be conducted of the applicant at least once every two (2) years.
- (2) The authority shall require all applicants within a class to use the same accounting system. The authority may accept present accounting systems in use and applied uniformly to all applicants within a class, for example, the uniform system of accounts established by the National Association of Regulatory Utility Commissioners.
- (3) The authority may assist water providers to establish accounting systems that meet the requirements of this section. The authority may provide assistance by paying for third-party private contractors or assistance from the Kentucky Auditor of Public Accounts.
- (4) The authority may pay for costs related to establishing a new uniform accounting system for the use of governmental agencies that merge or consolidate their water services if:
 - (a) The merging or consolidating entities use different accounting systems; and
 - (b) The merger or consolidation is consistent with a water management planning council plan as reviewed and prioritized under KRS 151.607.

Effective: June 29, 2023

History: Amended 2023 Ky. Acts ch. 179, sec. 5, effective June 29, 2023. -- Created 2000 Ky. Acts ch. 529, sec. 8, effective July 14, 2000.