

1 AN ACT relating to the Farmland Preservation Loan Program.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔ SECTION 1. A NEW SECTION OF KRS 247.940 TO 247.978 IS CREATED
4 TO READ AS FOLLOWS:

5 (1) As used in this section, "participating lender" means one (1) or more lending
6 institutions that:

7 (a) Have a physical office or offices located in Kentucky; and
8 (b) Enter into a loan participation agreement in accordance with the
9 requirements of this section.

10 (2) The corporation may:

11 (a) Establish, administer, and fund, to the extent funds are available, a
12 Farmland Preservation Loan Program in accordance with this section;

13 (b) Enter into a loan participation agreement with a qualified participating
14 lender to purchase interests in promissory notes made by a qualified
15 borrower enabling the borrower to purchase or improve an agricultural
16 property located within the Commonwealth;

17 (c) Purchase interests that do not exceed one million dollars (\$1,000,000) or
18 seventy-five percent (75%) of the total amount of funds made to the
19 borrower;

20 (d) Approve any other eligible agricultural investment the board deems
21 reasonable; and

22 (e) Promulgate administrative regulations in accordance with KRS Chapter
23 13A as may be necessary for the administration of the Farmland
24 Preservation Loan Program.