

1 AN ACT relating to investor-owned water utilities.

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

3 ➔Section 1. KRS 224A.112 is amended to read as follows:

4 (1) The infrastructure revolving fund shall be established in the State Treasury and  
5 shall be administered by the authority. The fund shall be a dedicated fund, and all  
6 moneys in the fund shall be allocated and dedicated solely to providing financial  
7 assistance to governmental agencies, and investor-owned water utility systems as  
8 provided for in KRS 96.540, 224A.306, 224A.308, and 224A.310, for the  
9 construction or acquisition of infrastructure projects through an account designated  
10 as the 2020 water service account.

11 (2) The broadband deployment fund shall be established in the State Treasury and shall  
12 be administered by the office. The fund shall be a dedicated fund, and all moneys in  
13 the fund shall be allocated and dedicated solely to providing grant funds to  
14 governmental agencies and private sector entities to construct infrastructure for the  
15 deployment of broadband service to households and businesses in underserved or  
16 unserved areas of the Commonwealth through an account designated as the  
17 broadband deployment fund.

18 (3) Funds in subsections (1) and (2) of this section shall not be commingled and shall  
19 be used only for the stated purposes in subsections (1) and (2) of this section.

20 (4) The financial assistance which may be provided by the revolving fund shall be  
21 limited to:

22 (a) Making loans, on the condition that the loans are made at or below market  
23 interest rates, including interest free loans, at terms not to exceed thirty (30)  
24 years and that the fund will be credited with all payments of principal and  
25 interest on all loans;

26 (b) Purchasing or guaranteeing, or purchasing insurance for, local or state  
27 obligations when the action would improve credit market access or reduce

- 1 interest rates;
- 2 (c) Providing a source of revenue or security for the payment of principal and  
3 interest on bonds or notes issued by the authority or other agencies of the state  
4 if the proceeds of the sale of the bonds will be deposited in the fund;
- 5 (d) Providing moneys with which to carry out the requirements of assistance  
6 agreements; and
- 7 (e) Making grants as funds specifically appropriated for grants or proceeds from  
8 the sale of the authority's revenue bonds are available.
- 9 (5) The revolving fund shall be established, maintained, and credited with repayments  
10 and the fund balance shall be available in perpetuity for its stated purposes.
- 11 (6) The authority may provide financial assistance from the revolving fund to  
12 supplement assistance provided from the federally assisted wastewater revolving  
13 fund as created in KRS 224A.111.
- 14 (7) The authority shall advise governmental agencies of the availability of the  
15 infrastructure revolving fund and how moneys may be obtained from the fund.
- 16 (8) The authority may enter into any necessary or required agreement with federal or  
17 state agencies or persons to carry out the provisions of this section. All state  
18 agencies shall cooperate with the authority and share information with the authority  
19 as appropriate to accomplish the purposes set out in KRS 224A.300.
- 20 (9) Moneys in the broadband deployment fund are hereby appropriated for the purposes  
21 set forth in this section and KRS 224A.1121.
- 22 (10) Notwithstanding KRS 45.229, any moneys remaining in the broadband deployment  
23 fund at the close of the fiscal year shall not lapse but shall be carried forward into  
24 the succeeding fiscal year to be used for the purposes set forth in this section and  
25 KRS 224A.1121.
- 26 (11) Interest earned on moneys in the broadband deployment fund shall stay in the fund.