

251.680 Duty of board when dealer or warehouseman defaults or fails.

The board, when it has determined that a grain dealer or grain warehouseman has defaulted payment or failed, shall have the following duties under this section:

- (1) Determine valid claims and the amount of such claims to be paid to claimants for financial losses which were incurred due to the failure of a grain dealer or grain warehouseman;
- (2) Request the transfer of moneys from the Kentucky grain insurance fund to the grain indemnity trust fund when necessary for the purpose of compensating claimants in accordance with the provisions of KRS 251.670;
- (3) Deposit into the grain indemnity trust fund any remaining assets of a failed grain dealer or grain warehouseman for the purposes of repayment of the Kentucky grain insurance fund moneys used to pay claimants. Any repayment into the Kentucky grain insurance fund shall not exceed the principal amount paid to claimants plus interest at the rate paid on ninety (90) day United States Treasury bills; and
- (4) In the event that the amount in the Kentucky grain insurance fund is insufficient to pay all valid claims in accordance with KRS 251.670, to grant priority of payment of all the claims in the order they were approved as valid by the board.

Effective: July 13, 1984

History: Created 1984 Ky. Acts ch. 389, sec. 9, effective July 13, 1984.