

262.920 Agricultural Enhancement Fund.

- (1) (a) There is hereby created by this section a special fund in the State Treasury which shall be known as the "Agricultural Enhancement Fund." There shall be deposited in the fund:
1. Moneys received by the Commonwealth, from whatever source and by whatever means, as gifts for purposes of retaining agricultural lands and supporting and abetting agricultural practices and activities which shall improve conservation and natural resource protection practices, enhance the viability of the agriculture industry, and expand the economic contribution that agriculture makes to the Commonwealth;
 2. Moneys received by the Commonwealth, from whatever source and by whatever means, as grants or loans for purposes of retaining agricultural lands and supporting and abetting agricultural practices and activities which shall improve conservation and natural resource protection practices, enhance the viability of the agriculture industry, and expand the economic contribution that agriculture makes to the Commonwealth;
 3. Moneys received by the Commonwealth including proceeds of bonds issued for the purpose of funding the PACE Program as dedicated sources of revenue for the fund; and
 4. Moneys appropriated to the fund.
- (b) The fund shall be in the custody of the Commonwealth. All or any part of these funds may be invested in any securities in which public funds may lawfully be invested. All income derived from investments shall be paid into the fund and become a part thereof. The moneys so invested shall at all times be subject to withdrawal from investment for use as provided in this subsection.
- (c) Upon authorization of the PACE board, the moneys in the fund may be used for:
1. The acquisition of agricultural conservation easements on eligible lands within the Commonwealth;
 2. The acquisition of options to purchase agricultural conservation easements on eligible lands within the Commonwealth;
 3. The costs of appraisal, engineering, surveying, planning, financial, legal, and other services, and applicable personnel costs lawfully incurred incident to the acquisition of agricultural conservation easements in eligible lands and for monitoring and enforcing easements on restricted lands;
 4. The costs incident to the sale, issuance, and delivery of bonds, and to securing funds from other revenue sources for the fund;
 5. The provision of guarantees for loans that farmers participating in the PACE Program may need to seek from lending institutions in order to carry out agricultural operations, including loans for annual agricultural production, agriculture- and conservation-related improvements, and changes in the types of and methods employed

for agricultural production on farmland tracts enrolled in the PACE Program; and

6. Other expenditures as specified by the PACE board, providing that the expenditures are consistent with KRS 262.900 to 262.920 and administrative regulations promulgated by the PACE board and are for the express purpose of retaining agricultural lands, supporting and abetting agricultural lands, and supporting and abetting agricultural practices and activities which shall improve conservation and natural resource protection practices, enhance the viability of the agriculture industry, and expand the economic contribution that agriculture makes to the Commonwealth.
- (d) No more than ten percent (10%) of the moneys in the fund shall be expended in any one (1) fiscal year to administer KRS 262.900 to 262.920.

Effective: July 15, 1994

History: Created 1994 Ky. Acts ch. 390, sec. 29, effective July 15, 1994.