

251.670 Payment of compensation.

- (1) Within ninety (90) days of the board's approval of a valid claim, the board shall, in accordance with the provisions of this section, compensate from the grain indemnity trust fund any claimant who has incurred a financial loss due to a failure of a grain dealer or warehouseman.
- (2) Any claimant who has incurred a financial loss due to a failure of a licensed grain dealer shall be entitled to be compensated for eighty percent (80%) of a valid claim, to a maximum of two hundred thousand dollars (\$200,000), with moneys from the Kentucky grain insurance fund, provided that the claim is brought within one (1) year from the time the claimant receives actual notice of the grain dealer's failure. To the maximum extent that funds are or may be made available for the purpose of paying a claim, the remaining balance of the claim shall be paid by the board from the assets and other security of the failed grain dealer, provided that any claimant who has incurred a financial loss due to the failure of a grain dealer and who has surrendered a warehouse receipt for payment shall be compensated for one hundred percent (100%) of a valid claim.
- (3) Any claimant who has incurred a financial loss due to a failure of a licensed grain warehouseman shall be entitled to be compensated for eighty-five percent (85%) of a valid claim with moneys from the Kentucky grain insurance fund, provided that the claim is brought within one (1) year from the time the claimant receives actual notice of the warehouseman's failure. To the maximum extent that funds are or may be made available for the purpose of paying a claim, the remaining balance of the claim shall be paid by the board from the assets and other security of the failed grain warehouse, provided that any claimant who has incurred a financial loss due to the failure of a grain warehouse and who has surrendered a warehouse receipt for payment shall be compensated for one hundred percent (100%) of a valid claim.

Effective: June 25, 2009

History: Amended 2009 Ky. Acts ch. 61, sec. 6, effective June 25, 2009. -- Amended 1990 Ky. Acts ch. 396, sec. 7, effective July 13, 1990. -- Created 1984 Ky. Acts ch. 389, sec. 8, effective July 13, 1984.