

**247.944 Kentucky Agricultural Finance Corporation -- Board of directors -- Executive director -- Quorum -- Expenses.**

- (1) There is hereby created and established the Kentucky Agricultural Finance Corporation which shall be attached to the Office of the Governor for administrative purposes only.
- (2) The corporation is created and established as a de jure municipal corporation and political subdivision of the Commonwealth to perform essential governmental and public functions and purposes in improving and otherwise promoting the health and general welfare of the people through the promotion of agriculture through the Commonwealth.
- (3) The corporation shall be governed by a board of directors consisting of twelve (12) members, ten (10) of whom shall be appointed by the Governor. The other two (2) members shall be the Commissioner of the Department of Agriculture, who shall serve as chairperson, and the secretary of the Finance and Administration Cabinet. The Commissioner may designate a representative to serve as chairperson in the Commissioner's absence.
- (4) The Governor shall appoint ten (10) private members of the board to take office and to exercise all powers of the board immediately. The ten (10) directors of the corporation shall be appointed using staggered terms. Of the ten (10) private members of the board appointed by the Governor, two (2) may be officers from a commercial lending institution, one (1) may be an officer from a farm credit association, one (1) may be an agricultural economist, one (1) shall be a tobacco farmer, one (1) shall be a cash grain farmer, one (1) shall be a livestock farmer, one (1) shall be a dairy farmer, one (1) shall be a horticultural farmer, and one (1) shall be from the equine industry. To promote efficient use of agricultural resources and coordination among agricultural leaders, the Governor shall appoint a member from the Agricultural Development Board, who meets the qualifications for one (1) of the positions set out in this subsection, to one (1) of the ten (10) board positions governing the Kentucky Agricultural Finance Corporation.
- (5) Upon the expiration of the initial terms of the private members of the board, the Governor shall appoint successors representing the same constituencies as the members succeeded for a term of four (4) years in each case. In the case of a vacancy, the Governor may appoint a successor to hold office during the remainder of the term.
- (6) Staff services for the board shall be provided by the Office of the Governor. The executive director of the Agricultural Development Board shall serve as executive director for the board.
- (7) The executive director shall administer, manage, and direct the affairs and business of the corporation, subject to the policies, control, and direction of the board. The executive director shall keep a record of the proceedings of the corporation and shall be custodian of all books, documents, and papers filed with the corporation, the minute book or journal of the corporation, and its official seal. The executive director shall have authority to cause copies to be made of all minutes and other records and documents of the corporation and to give certificates under the official

seal of the corporation to the effect that the copies are true copies, and all persons dealing with the corporation may rely on such certifications.

- (8) A majority of the board shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, notwithstanding the existence of any vacancies; provided, however, that a majority of the board may elect from among its members an executive committee to act in its stead in the day to day conduct of the business of the corporation. Notwithstanding the foregoing, the full board shall hold at least one (1) meeting each calendar quarter in accordance with a schedule to be established by the board.
- (9) Action may be taken by the corporation upon a vote of a majority of the directors present at a meeting at which a quorum exists called upon three (3) days written notice or upon the concurrence of at least seven (7) directors or by the board's executive committee.
- (10) All members of the board shall be entitled to their reasonable and necessary expenses actually incurred in discharging their duties.

**Effective:** July 13, 2004

**History:** Amended 2004 Ky. Acts ch. 41, sec. 5, effective July 13, 2004. -- Amended 1996 Ky. Acts ch. 208, sec. 3, effective July 15, 1996. -- Amended 1990 Ky. Acts ch. 440, sec. 2, effective July 13, 1990. -- Created 1984 Ky. Acts ch. 374, sec. 3, effective April 11, 1984.