

**154.33-552 Uses of Kentucky Appalachian regional development fund -- Applications for funding -- Criteria for approval -- Administrative regulations.**

- (1) The Kentucky Appalachian regional development fund shall be used only to support job creation and retention, entrepreneurship, tourism, broadband deployment, education and lifelong learning, workforce training, leadership development, public engagement, health and wellness, arts and heritage, infrastructure, economic diversity, and sustainable agricultural practices and food systems within and across counties in the region.
- (2) The following entities may apply for loans, grants, or investments from the fund:
  - (a) Nonprofit corporations that have or are actively seeking 501(c)(3) status, are registered to do business in the Commonwealth, are established to conduct business in accordance with the purposes of the Shaping Our Appalachian Region initiative, and that have a physical presence within the region;
  - (b) Working groups or other formally designated entities representing Shaping Our Appalachian Region, Inc. as documented by resolution of the board or the board itself; and
  - (c) Departments, divisions, or offices of a county or city within the region.
- (3) Applications shall be submitted to the executive director who shall confirm completeness and shall then submit applications to the board for consideration.
- (4) The board shall consider whether and to what extent the applications are consistent with the purposes specified in subsection (1) of this section. It shall then forward the applications to the commissioner with recommendations for approval or disapproval, giving priority to initiatives that present the greatest likelihood of regionwide economic impact.
- (5) The criteria to be used by the board in recommending applications to the commissioner shall include:
  - (a) The unemployment level in each community where the project will be located;
  - (b) The likelihood that the project will generate future revenue for the community or the Commonwealth;
  - (c) The number of new direct or indirect jobs to be provided for the residents of the Commonwealth and the wages to be paid;
  - (d) The degree to which the project will benefit the economies and communities in multiple jurisdictions within the region;
  - (e) Funding match from the local community and private sector persons or foundations; and
  - (f) The likelihood of the economic success of the project, including the ability of the project to sustain itself in the future.
- (6) The commissioner shall have authority to approve the application and shall, in consultation with the secretary of the Cabinet for Economic Development, determine reasonable terms and conditions for the loan, grant, or investment.
- (7) Money in the Kentucky Appalachian regional development fund may be disbursed by the applicant to any person or entity, public or private, organized for profit or not

for profit, or any combination thereof with a geographical presence in the region as set forth in the application and approved by the commissioner, but the applicant shall be responsible for appropriate monitoring and reporting of the use of funds by the recipient.

- (8) The Department for Local Government may promulgate administrative regulations in accordance with KRS Chapter 13A to implement the provisions of this section and KRS 154.33-554 and 154.33-556.

**Effective:** June 24, 2015

**History:** Created 2015 Ky. Acts ch. 58, sec. 3, effective June 24, 2015.