

174.058 Shortline railroad assistance fund.

- (1) As used in this section:
 - (a) "Class II railroad" means a railroad company classified as a Class II carrier by the federal Surface Transportation Board; and
 - (b) "Class III railroad" means a railroad company classified as a Class III carrier by the federal Surface Transportation Board.
- (2) The shortline railroad assistance fund is hereby established in the State Treasury as an interest-bearing fund and shall be administered by the cabinet.
- (3) The fund shall be a dedicated fund, and all moneys in the fund shall be used solely to provide financial assistance for the rehabilitation and improvement of a Class II railroad and Class III railroad operating in Kentucky.
- (4) Eligible costs for which financial assistance may be provided shall include construction, reconstruction, improvement, or rehabilitation of rail facilities, including tracks, ties, roadbeds, and related structures used for freight rail operation.
- (5) Financial assistance provided from the fund shall be limited to:
 - (a) Grants; and
 - (b) Loans, which shall be made at or below market interest rates, including interest-free loans, at terms not to exceed ten (10) years.
- (6) All loan payments and repayments, and all interest payments on loans, shall be credited to the fund.
- (7) The cabinet may promulgate administrative regulations regarding procedures for providing financial assistance pursuant to this section.
- (8) The shortline railroad assistance fund is authorized to receive funds from appropriations of the General Assembly, repayments of loans and interest thereon, interest from fund principal, grants, donations, and payments to the fund for any lawful purpose.
- (9) Notwithstanding KRS 45.229, any moneys remaining in the fund at the close of a fiscal year shall not lapse but shall be carried forward to the next fiscal year to be used for the purposes set forth in this section.
- (10) The cabinet may enter into agreements with federal or state agencies or any other persons to carry out the provisions of this section.
- (11) Any moneys in the fund are hereby appropriated for the purposes set forth in this section.

Effective: June 26, 2009

History: Created 2009 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 72, effective June 26, 2009.